

'New-old' government expects majority support on Monday

By JOSHUA BRILLIANT
Jerusalem Post Reporter

TEL AVIV. — The cabinet that Prime Minister-designate Yitzhak Shamir is due to present to the Knesset on Monday will be essentially the same as the outgoing government of Prime Minister Menachem Begin.

The only change apart from Shamir replacing Begin as prime minister, is that MK Pessah Grupper, now the deputy agriculture minister, will be minister of agriculture. The previous cabinet had approved Grupper's appointment in place of the late Simha Ehrlich but Begin resigned before the matter was presented to the Knesset.

There will be no change in the position of Finance Minister Yoram Aridor. Refuting rumours to the contrary, Shamir yesterday issued a statement saying he had "full confidence" in Aridor.

The request to convene the Knesset was conveyed in a letter Shamir sent Speaker Menachem Savidor yesterday. By last night there seemed to be no doubt that when the Knesset meets on Monday at 10 a.m., an absolute majority of the 120 members will support Shamir.

The possibility that he would have to present a minority government backed by only 58 MKs was removed early yesterday when the six members of the outgoing coalition who had threatened to abstain unless Shamir made a sincere effort to form a national unity coalition, concluded there were no chances of bringing in the Labour Party. Savidor, one of the six, told *The Jerusalem Post* following his talks with Shamir and Labour chairman Shimon Peres that he was convinced the differences between the parties could not be bridged. Labour's demands to reconsider the

government's steps regarding autonomy, to leave open the option of a territorial compromise in Judea and Samaria were basic, fundamental issues on which the Likud could not agree. "I reached the conclusion that at this stage — it won't go," Savidor added.

Savidor, former energy minister Yitzhak Berman and MK Dan Tichon (all Likud-Liberals) announced they would vote for Shamir. Minister without Portfolio Mordechai Ben-Porat will also support the new government, the secretary of his Movement for Social-Zionist Revival announced last night.

As well, former finance minister Yigael Hurvitz said last night that he would vote with the new coalition. Speaking on the *Moked* television interview programme, Hurvitz said: "I am thinking about it. It is very difficult. But I assume I will vote with the Likud."

(Continued on Page 2, Col. 3)

U.S. wary on reports Jordan to join talks

By WOLF BLITZER
Jerusalem Post Correspondent

WASHINGTON. — Senior administration officials have played down a spate of recent news reports here suggesting that Jordan's King Hussein might be ready to adopt a more favourable attitude toward President Ronald Reagan's 1982 Middle East peace initiative.

Such reports have appeared in *The New York Times*, *The Washington Post* and other publications. They quoted Jordanian sources in Washington and Amman. At the State Department yesterday, the spokesman refused to discuss the reports. He said only that the U.S. would welcome any step

(Continued on Page 2, Col. 2)

Banks ask Treasury to help share market

By AVI TEMKIN
Post Economic Reporter

Uncertainty over financial developments continued yesterday as Finance Minister Yoram Aridor met with the heads of the country's banking community. A continued run on dollars, combined with a sudden upsurge on the Tel Aviv Stock Exchange, reflected the confusion of the public.

Aridor is scheduled to return to Washington for talks with Secretary of State George Shultz next Thursday. At the meeting with Aridor, the bankers urged the Treasury to help them support the prices of bank shares and expressed their concern over the critical situation in the capital and foreign-currency markets.

The bankers appeared satisfied after the meeting, and proceeded immediately to a further talk with the Treasury director-general Ezra Sadan.

Most of yesterday's talks between the bankers and the top Treasury officials dealt with the ways in which the ministry and the Bank of Israel could help the banks deal with the situation on the stock exchange and ease their large liquidity deficits which total about IS9 billion.

Some officials said after the meeting that the talks had ended without any concrete proposals.

The Treasury and the Bank of Israel apparently want the banks to raise interest on short-term savings deposits (Pazak and Tapas) and to promise that the yield of bank shares will be smaller in the future.

Among the proposals which the heads of the commercial banks raised was limiting administratively the purchase of foreign currency and deposits of foreign currency by the public.

But both the Treasury and the Bank of Israel strongly oppose such proposals, since they think they would only cause a large demand for foreign currency banknotes on the black market.

In the last few days, the commercial banks have raised millions of dollars abroad in short-term loans to support the prices of their shares, and according to financial observers their efforts were partially responsible for yesterday's upturn on the stock exchange.

Taking part in yesterday's meeting was MK Avraham Shapira, chairman of the coalition executive and chairman of the advisory board of the Bank of Israel. After the meeting, Shapira held a brief private consultation with some of the bankers in a Treasury corridor, after which he proceeded to the Bank of Israel.

All day yesterday the Treasury and the Bank of Israel were busy following the developments at the foreign-currency departments at commercial banks. By the end of the day the official message was that

the public had showed less eagerness to buy dollars than on Tuesday, as a result of Tuesday's announcement by Aridor that no large devaluation will be implemented.

Despite the Treasury's optimism, however, there still seemed to be a large demand for foreign currency during the day. According to some reports the public purchased about \$16 million. A large part of these purchases were not in cash, but of deposits in foreign-currency accounts.

Speaking yesterday on Israel TV, Energy Minister Yitzhak Moda'i expressed the view that Aridor's announcement on Tuesday that no devaluation is envisaged would not restore calm.

Moda'i said that there was no justification for saying that the media are responsible for the crisis (See related story, Page 2). "If the objective conditions of the economy were good, then the media would have no way to create a panic," he added.

Industry Minister Gideon Patt said yesterday while on a visit to Afula that the meeting between the bank heads and the Treasury was initiated mainly by the developments on the stock exchange, and only in this context did they touch upon the massive purchases of foreign currency in the last few days.

Patt strongly denied that there was a rush on the dollar or that there was a panic among the public.

(Continued on Page 2, Col. 5)



Actors Lou Gossett (left as Anwar Sadat) and Barry Morse (right as Menachem Begin) flank Michael McCole (as Jimmy Carter) in a scene from *Sadat*, a TV mini-series to be shown in the U.S. this fall. At bottom is the actual photo of the historic handshake that sealed the Israeli-Egyptian peace treaty in Washington in 1979. (UPI telephoto)

Non-aligned observers may police Lebanon

BEIRUT (AP). — In an apparent concession to Syrian-backed opposition leaders, the government of president Amin Gemayel announced yesterday that it is willing to accept observers from "non-aligned" nations to supervise Lebanon's civil war cease-fire.

Khalil Mekkawi, acting secretary general of Lebanon's Foreign Ministry, told a news conference that efforts are under way to create a "neutral observation force" — possibly with participants from India, Yugoslavia, and Greece — to oversee the truce that began September 26.

The Gemayel government, as well as the four nations participating in

the multi-national peace-keeping force in Beirut, had been pushing for a truce supervision team under UN auspices. The U.S., Britain, France, and Italy have troops in Beirut.

But Syrian-backed opposition leader Walid Jumblatt, head of the Progressive Socialist Party, had been opposed to UN participation in this war-torn nation.

Agreement on a truce-observation team to oversee the cease-fire, which ended three weeks of widespread sectarian fighting, could help pave the way toward the start of a "national reconciliation conference."

(Continued on Page 2, Col. 5)

Arens still opposes plan for less U.S. military aid

Jerusalem Post Staff

Defence Minister Moshe Arens made it clear yesterday that he has by no means acquiesced in Finance Minister Yoram Aridor's plan to reduce Israel's overall military aid request from Washington. Arens told the Knesset Foreign Affairs and Defence Committee that the issue was still to be resolved by the cabinet.

In response to questioning from Labour Party chairman Shimon Peres, Arens confirmed that Aridor had raised his ideas "informally" in meetings with U.S. officials last week.

But, said the defence minister, Israel had made no official submission to the U.S. requesting a reduced military aid sum.

The finance minister believes it would be preferable for Israel to receive less aid from Washington, but all of it in the form of grants, rather than the present mix of grants and loans. He believes Israel

could borrow the shortfall on the inter-national money market and would emerge from the transactions in a better economic condition.

Arens and his aides point out that Israel is committed to spending large sums on arms-purchases in the U.S., and for this reason alone it would be difficult to cut the U.S. military aid package.

Asked by Labour MK Yossi Sarid how much the Lebanon war had cost so far, Arens advised Sarid to look up the official budget figures and do the arithmetic himself.

Reviewing the situation in Lebanon, Arens noted with gratification that the PLO had left, or had been removed, from the Druse-held Shouf Mountains. He estimated that only 600 PLO fighters remain there.

He spoke of Israel's continuing close contacts with the Druse as an important factor in persuading them to disassociate themselves from the PLO.

Dollar rush continues, but less cash drawn

Jerusalem Post Reporter

TEL AVIV. — The dollar rush continued to accelerate yesterday with respect to the total amount purchased, but there was a move away from cash purchases.

If on Tuesday, estimates placed the amount of foreign currency purchased at about \$10 million, yesterday one bank estimated the total at about \$16m., while another put the figure at \$20m. and "perhaps as high as \$25m."

But neither bank was willing to admit that their figures were no more than "educated guesses" since "the simple fact is we simply do not have accurate figures."

One banker said that if the demand for foreign currency in-

creased at the present rate, "we will have to order it from abroad, but it can be delivered within 24 hours." There have already been two air shipments of foreign currency this week.

Although some bank branches ran out of dollars, most of them had enough on hand to meet all demands. But yesterday was a short banking day, since on Wednesday the banks close at mid-day.

The main difference between Tuesday's purchases and yesterday's was that on Tuesday, about half the purchases were in cash, while yesterday only a quarter of them were.

Thus, most persons yesterday

(Continued on Page 2, Col. 3)

Stock market in turnabout

By JOSEPH MORGENSTERN
Post Finance Reporter

TEL AVIV. — The Tel Aviv Stock Exchange yesterday registered a session of sharply rising prices, following two sessions in which shares fell sharply.

On Tuesday night Finance Minister Yoram Aridor announced that there would be no major devaluation of the shekel, but his remarks were received with more than a measure of skepticism.

Most market observers were concerned with the selling pressure being exerted on the shares of the commercial bank shares and the general atmosphere of uncertainty and lack of confidence.

In the event (and before yesterday's meeting of the bankers with the Treasury and then with the Bank of Israel officials) the prices of the bank shares rose by margins above those that have been recorded recently.

The General Share Index, commercial banks excepted, advanced by 1.92 per cent. Altogether 131 individual securities advanced by margins of 5 per cent or more.

The shekel was devalued by 0.5 per cent against the dollar.

British Labour turns new leaf on Israel

By HYAM CORNEY
Jerusalem Post Correspondent

LONDON. — Reversing the anti-Israel stance of recent years, the British Labour Party yesterday adopted a statement on the Middle East at its annual conference in Brighton which deliberately avoided condemnation of Israel.

The resolution, which had the backing of the party's National Executive Committee, concentrated on Lebanon and called on the British government to withdraw its forces if the Americans revert to their previous policy of "physical

and military support for the Phalangist regime." (Related story, page 4).

The conference agenda contained two anti-Israel resolutions and one put forward by the Labour Zionist party, Poale Zion. But the National Executive, in the spirit of unity which has dominated the conference through the week, recommended the withdrawal of all three "partisan" resolutions in favour of the statement which delegates eventually carried overwhelmingly.

Poale Zion Chairman Maurice

(Continued on Page 2, Col. 3)

Lech Walesa awarded Nobel Prize for Peace

OSLO (Reuters). — Lech Walesa was yesterday awarded the 1983 Nobel Peace Prize for leading the struggle against Poland's communist authorities to set up the independent Solidarity trade union.

The Norwegian Nobel committee said Walesa had made considerable personal sacrifice to ensure the workers' right to establish their own organizations.

"This contribution is of vital importance in the wider campaign to secure the universal freedom to organize — a human right as defined by the UN," it said.

But deputy government spokesman Andzej Konopacki said "The award used to mean something. (This) depreciates the prize. It's politically motivated."

Walesa was spending the day mushroom-picking in the fields near the Baltic port of Gdansk where he lives, despite having been hotly upped for the award in advance, and was not immediately available for comment.

Reuters broke news of the award to his wife Danuta who cried out: "Oh God, I am really very, very delighted."

Officials of Poland's Roman Catholic Episcopate, which has strongly backed Walesa, were overjoyed.

A senior source at the episcopate said: "We are going to be crazy with joy over this here."

"I have just remembered I have some vodka left."

The deputy episcopate spokesman, Henryk Brunko, said: "He deserved the award. He needs



Lech Walesa

it to keep up his spirits. It is good for him because being the tough and matter-of-fact man he is, he still needs things to sweeten his life."

Walesa may be held up as a paragon of peaceful struggle for freedom in our time, Norwegian Prime Minister Kaare Willoch said, commenting yesterday on the award.

Of the first 16 people asked for their reaction to the award in the streets of central Warsaw, nine told Reuters they were delighted, four declined to comment and three were critical.

An elderly man said: "This is an expression of great recognition for Walesa's courage and dedication to the cause."

Walesa, who spent 11 months in detention without trial after the Polish authorities cracked down on the now-banned Solidarity nearly two years ago, has been under fierce attack in the official media in the last few weeks.

It was not known whether he would be allowed to travel to Oslo to receive the \$192,000 award on December 10. (See profile — Page 4)

6 W. Bank settlements to become civilian

The joint cabinet — World Zionist Organization settlement Committee yesterday decided to convert six para-military settlements in the West Bank to civilian settlements, the cabinet secretary announced yesterday.

The six settlements are Brosh and

Elisha in the Jordan Valley, Yitzhar and Meitar in Samaria and Ginat and Zurik in the Hebron hills.

The committee also approved the establishment of Tsolim, an urban settlement planned for 1,200 families to be built by private investors northeast of Kalkilya.

IS6m. gives Ashkelon hospital a respite

By MARGERY GREENFELD
Jerusalem Post Reporter

The financially distressed Barzilai government hospital in Ashkelon received a temporary reprieve yesterday in the form of a IS6 million transfer from the Health Ministry. But the situation in Ashkelon, and at other government hospitals that are near financial collapse, appears to be touch and go this month, unless the Treasury substantially increases the budget for hospitals.

Instructions to hospital management throughout the country to be issued this morning by Health Ministry director-general Baruch Modan specify that all funds transferred to hospitals this month are to be used solely for paying outside suppliers who essentially provide goods or services.

The money, from the October budget allocations, will be transferred to the hospitals in several phases during the month, according to Modan's letter. The hospital management are authorized to use supplies from in-house inventories, so long as a two-week reserve is kept.

But hospital administrations are requested to submit to the head of hospital services lists of essential items that are likely to run out before the end of the month. "The ministry will try to solve individual problems as they arise," the letter said.

In response to the crisis in Ashkelon, the Treasury said yesterday that the problem of funding small hospitals stems from the internal administration of the Health Ministry.

"The Treasury accountant has transferred to the hospitals their full allocations, in accordance with, and sometimes even exceeding, their real needs," the Treasury statement said.

(Continued on page 3)

THE END IS NEAR!

Today is the final day to place your classified advertisement for tomorrow's *Haluah Hehadash*. Just take your ad to any advertising agency, or to an office of Ma'ariv or Ha'aretz and it will run in Hebrew in those papers. Hand it in early enough to make sure it reaches the office of *Haluah Hehadash* before 5 p.m. — your ad will then appear in English in *The Jerusalem Post*. Beat that deadline!

Histadrut Hano'ar Hadati Ha'oved Vehalomed Reshet Torat-Melacha

The Hannah and Shimshon Centre for Religious Technology, Jerusalem

This is the day which the Lord hath made: we will rejoice and be glad in it.

The Dedication of the Second Building of the Hannah and Shimshon Centre for Religious Technology

will take place at 10 a.m., Friday, October 7, 1983 at 3C, Re'iyon Malchei Yisrael, Jerusalem.

In the presence of:
The Chief Rabbi, Rishon Lezion, Mordechai ben Eliahu
The Minister of the Interior and Religious Affairs, Dr. Yosef Burg
The Minister of Labour and Social Affairs, Mr. Aharon Uzan
The philanthropist and Head of the "Nidchei Yisrael" Communit.
Mexico, Rabbi Shimshon Feldman
Jerusalem Deputy Mayor, Mr. David Bergman

Programme:

First part — Dedication of the building
Psalms
Choir
Greetings
Affixing of the Mezuza
Cutting of the ribbon and tour of the building
Second part — Distribution of scholarships awarded by the United Mizrahi Bank to outstanding students
The public is invited

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PRESS & BOOKS

TIME

October 10, 1983

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5.5.1983	C	F	W
AMSTERDAM	12	54	cloudy
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BRUSSELS AIRS	10	50	clear
CHICAGO	18	64	cloudy
COPENHAGEN	10	50	cloudy
FRANKFURT	14	57	clear
GENEVA	12	54	clear
HELSINKI	9	48	cloudy
HONG KONG	27	81	clear
JOHANNESBURG	14	57	clear
LONDON	10	50	clear
MADRID	13	55	cloudy
MONTREAL	19	66	clear
NEW YORK	18	64	clear
OSLO	12	54	cloudy
PARIS	10	50	clear
RIO DE JANEIRO	20	68	clear
SAO PAULO	18	64	clear
STOCKHOLM	9	48	clear
TOKYO	21	70	clear
TORONTO	18	64	clear
WINDHUK	19	66	clear
ZURICH	8	48	clear

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THE WEATHER

Forecast: Partly cloudy, warmer

	Yesterday's Humidity	Yesterday's Min-Max	Today's Max
Jerusalem	39	11-22	24
Golan	46	9-22	24
Nahariya	46	15-26	26
Safed	41	11-21	22
Haifa Port	37	20-34	25
Tiberias	35	14-29	30
Nazareth	32	12-24	25
Alula	48	12-26	28
Shomron	44	13-24	25
Tel Aviv	51	16-25	25
B-G Airport	50	11-26	27
Be'er Sheva	31	12-21	23
Eilat	55	17-24	25
Eilat	22	19-30	32

SOCIAL & PERSONAL

Prof. Sidney Loeb of the Ben-Gurion University of the Negev and Prof. Ora Kedem of the Weizmann Institute of Science were honoured yesterday in a ceremony at the Weizmann Institute of Science in Rehovot. Loeb received the H. Dudley Wright Achievement Prize and Kedem the H. Dudley Wright Research Award.

ARRIVALS

Masha Stern, president of Na'amat Peru, with her daughter Rachel Rub, chairwoman of the Latin-American groups of Pioneer Women/Na'amat in Miami, and Dr. Moises Rub, for the dedication ceremony of the Masha Stern Daycare Centre of Na'amat Holon.

Marriage

Dr. Blanche Baron and Maurice and Florence Schellekes announce the marriage of their children, Alina and Shai.

Driver, pedestrian killed

MISHMAR HASHARON. — A 68-year-old resident of Even Yehuda was killed near here yesterday morning when the car he was driving collided with a truck. Shalom Matoki was killed instantly. He was on his way to work at a local meat-packing plant.

In Carmiel, a pedestrian was run over and killed by a car driven by a resident of Majd el-Kurum. The driver was arrested. The name of the dead man, aged 62 and employed by the Israel Defence Forces, was not released.

Southern Command

Post Defence Reporter
Aluf Moshe Bar-Kochba, the commander of the Armoured Corps Command until yesterday, will become OC Southern Command on Friday. He will replace Aluf Haim Erez who is slated to be quartermaster-general.

"To pave the way for the new Ground Corps Command led by Aluf Dan Shomron, the Israel Defence Forces yesterday abolished the Armoured Corps Command. Some of its functions will be transferred to Shomron's command and some to the Chief Armoured Corps Officer — another new outfit headed by Tat-Aluf Amos Katz.

Phillies in form

LOS ANGELES. Reuter. — A first innings home run to Mike Schmidt gave the Philadelphia Phillies a vital 1-0 win over the Los Angeles Dodgers in the first game of the best-of-five National League baseball championship series here on Tuesday night.

Schmidt, who led the major leagues with 40 home runs this season, cracked pitcher Jerry Reuss more than 120 metres over the centre field to give the Phillies a lead which they never relinquished. Steve Carlton pitched into the eighth inning, and then got help from Al Holland. Between them they blanked the Dodgers.

(Sports on Page 4)

WELCOME TO ISRAEL

Mr. Ira Feinstein, and wife, Bea, Los Angeles supporters of worthy Jewish causes.
The Captain Yehiel and Ruth Glosky Langer Hospitality Foundation, One Mapo Street, Jerusalem.

HOME AND WORLD NEWS

Hebron youths being held for attacks on Jewish targets

Jerusalem Post Reporter
Security forces have detained a number of Hebron youths on suspicion of participating in a number of attacks on Jewish targets in the town during the past three months. Military sources said yesterday that the youths were thought to be responsible for attacks with home-made bombs on Beit Romano and Beit Hadisah, two buildings occupied by Jewish settlers, and an attack on an Israel Defence Forces vehicle. Materials for making more bombs were recovered after the arrests, the sources said.

Meanwhile, the trial opens in the Ramallah Military Court today of eight alleged members of a terror cell who are charged with the murder of a number of local Arabs who they regarded as collaborators with the Israeli authorities.

Some of the eight are alleged to have undergone sabotage and military training in Syria, Lebanon, Colombia and Bulgaria. All come from villages in the Ramallah district. The cell, which is said to have been linked with the Popular Front for the Liberation of Palestine, is alleged to have murdered Yusuf

Hatib, the head of the Ramallah area village league, and his son in September, 1981. Nadal Youssef Muhammad Zayad in the Ramallah market in the summer of last year, and the planting of several bombs on the Alifon Road.

They are also said to have planned the murder of the Israeli-appointed mayor of El-Bira — Maurice Bar-Kochba.

Prison-warden murder trial resumes under heavy guard

Dozens of police guarded Tel Aviv District Court yesterday at the resumption of the trial of Herzl Avitan, Ya'acov Shemesh and Amnon David. The three are charged with the December 1981 slaying of Ramle Prison detention centre warden Roni Nitzan and with the robbery a month later of the Keren Or jewelry workshop in

Ramat Gan during which a guard, David Ashury, was shot dead. At the resumption of the trial, police officer Shimon Yishai testified about his role in the interrogation of the chief state witness in the case, Moshe Cohen. Yishai said Cohen had showed him an orchard near Savyon where much of the stolen jewelry was found.

Cross-examined by defence attorneys, Yishai admitted that he had written a fictitious three-page report of the testimony of a "witness" who claimed to have been inside the jewelry workshop at the time of the robbery. He said he wrote the report on orders from a senior officer. The "witness" in the fabricated

report supposedly saw enough to be able to identify one of the participants in the theft. The report was shown to Orit Avitav, Avitan's girlfriend. She continued to maintain her innocence after being shown the report, but was later convicted of the robbery and is now serving an eight-year prison sentence. (Itim)

Two suspects remanded in murder case

Jerusalem police yesterday arrested two youths from the capital's Gilo district, aged 16 and 17, as suspects in the murder of 18-year-old Youssef Sha'abouni yesterday. Sha'abouni was stabbed to death in downtown Jerusalem after an altercation on a bus.

At a remand hearing in magistrate's court, a police representative said that blood had been found on a jacket worn by one of the suspects, and tests would be carried out to determine whether the blood was that of the victim.

The police are also to check the suspects' alibis and conduct an identity parade.

The court said that eyewitness testimony in the case was very weak so far, but in view of the seriousness of the crime it agreed that the youth whose jacket was bloodstained should be held for four days while tests are carried out.

The second suspect was ordered held three days.

Knesset mission to Argentina

Jerusalem Post Reporter
The Knesset Aliya Committee decided yesterday to send a parliamentary delegation to Argentina to protest against the disappearance of thousands of Jews during the military junta's campaign against terrorism.

The committee, meeting in conjunction with the Knesset Defence and Security Committee, also decided to meet with the Argentine ambassador to Israel and to demand an investigation into the disappearances.

These decisions will be announced by committee chairman MK Uzi Baram, after the release of a High Court decision on a related action. Parents of missing Jews petitioned the court to instruct the government to seek the release of the *desaparecidos*. The decision is expected to be announced today.

U.S. WARY

(Continued from Page One)

which contributed to the peace process. Secretary of State George Shultz should be in a better position to assess those reports after he meets today with Jordan's Foreign Minister, Marwan Kasim, in New York where both men are participating in the opening session of the UN General Assembly.

Yesterday, Kasim told the General Assembly that his country would cooperate in "all efforts" towards a just and durable Mideast peace which "did not forfeit legitimate Palestinian rights."

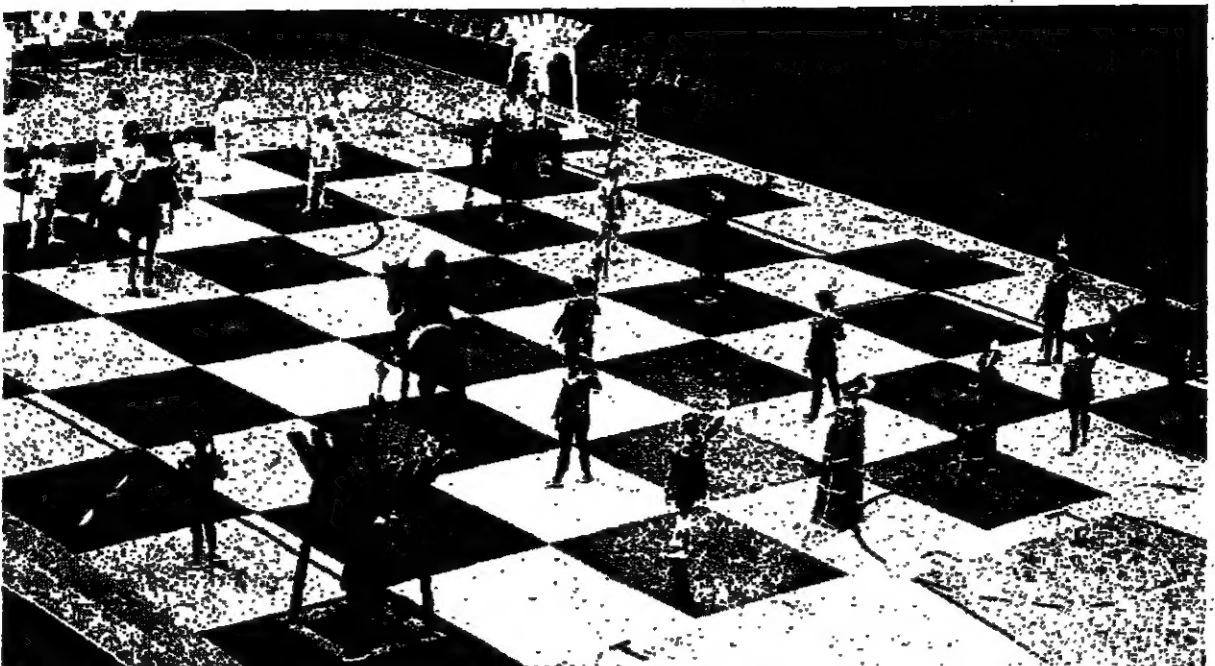
The Jordanian said that peace was incompatible with Israel's central objective of annexing the occupied Arab territories.

The U.S. ambassador in Amman, Richard Viets, has also returned to the U.S. to join in talks at the UN and to participate in other consultations.

The Reagan peace plan was predicated on the assumption that Jordan would get involved in talks with Israel. When King Hussein failed to win a green light from PLO chairman Yasser Arafat last April, the Reagan plan suffered a severe setback. Since then, the focus of U.S. attention has been almost totally on Lebanon.

"We are now getting signals that Hussein is interested, in some way, in stirring the situation up again," an unnamed U.S. official was yesterday quoted by *The Washington Post* as having said. "But it's not clear whether he's ready to take some specific action or whether it's just more wringing of hands."

Meanwhile, the State Department yesterday strongly denied a story claiming that special Middle East envoy Tobin McFarlane, in discussions in Beirut, had signalled a U.S. willingness to see last May's Israeli-Lebanese troop-withdrawal agreement collapse as part of a broader settlement with the Syrians in Lebanon. "Totally untrue," the U.S. spokesman said.



Live chessmen hold a dress rehearsal yesterday for the Haifa chess festival, which is to close this evening. (Camera 2)

Aridor, editors debate 'panic media'

TEL AVIV (Itim). — Finance Minister Yoram Aridor met yesterday with the Newspaper Editors' Committee, and heard chairman Mark Gefen protest against Aridor's attack on the news media on television on Tuesday evening. Gefen said that Aridor's meeting with the editors was taking place after the minister had directed at the media "a sweeping accusation of guilt for all the ills of the economy."

Aridor denied the charge, saying that what he had blamed the media for was the creation of panic. "It's as if the newspapers report that a certain bank is in difficulty," Aridor said. "That very report, even if not true when printed, can become true because of the consequences of the report."

Painter Reuven Rubin Museum opens

By MARK SEGAL
Jerusalem Post Reporter
TEL AVIV. — The Reuven Rubin Museum was inaugurated yesterday at the home of the late artist on Rehov Bialik. About 1,500 guests crowded into the narrow street for the ceremony. The event was also a tribute to the artist's widow, Esther, who was described as the moving spirit in the conversion of her old home into a new cultural landmark.

COALITION

(Continued from Page One)
However, Hurvitz implied that should the Shamir government fail to implement the stringent economic measures he proposes, he will turn against it. Hurvitz described the six years of Likud government, in terms of its economic policies as "very badly managed," with the exception of his brief tenure as finance minister in 1980-1981, succeeding Ehrlich. MK Dror Zeigerman (Likud-Liberal) said he wanted to see what the Likud conceded to Agudat Yisrael and to consult with his party colleagues before deciding what to do.

Reached at his home last night, Abuhatzira recalled having promised Knesset House Committee Chairman Eitan Livni to stay away during the three months in which he is serving his sentence and said he stood by his word.

DOLLAR

(Continued from Page One)
deposited the foreign currency they purchased in foreign-currency accounts. A high percentage of them did not deposit them for three months, and thus earn interest, but put them in open accounts. These accounts do not earn interest, but they can be converted back into shekels at a moment's notice, thus enabling the depositor to stop by at his bank, sell his foreign-currency holdings, and move into other investments immediately.

Asked whether Finance Minister Yoram Aridor's TV statement on Tuesday night that there would be no major devaluation had a calming effect, one banker said that it had. "Some of our customers showed signs of hysteria on Tuesday; we saw little of this today (yesterday)," But another banker pointed out that Aridor's statement "did not stop the increase in buying, but perhaps if he had not made it, the rush to buy yesterday might have been much greater."

BRITISH LABOUR

(Continued from Page One)
Miller MP, and Reg Freeson MP, told *The Jerusalem Post* that they regarded the withdrawal of the proposed anti-Israel resolutions as a triumph. "We have never wanted the Arab-Israel conflict to dominate Labour debates and now we have had this policy endorsed by the party's leadership," Miller said.

At a lunch later in the day organized by Labour Friends of Israel, Israeli Ambassador Yehuda Avner announced that Roy Hattersley MP, Labour's new deputy leader, had accepted an invitation to visit Israel in the near future.

The lunch was attended by Hattersley and by several members of the National Executive and of the shadow cabinet. Representing Israel at the conference, which ends tomorrow, are Labour MK Nava Arad and Mapam emissary Ayea Yaffe.

OBSERVERS

(Continued from Page One)
The conference, provided for in the cease-fire agreement, is to gather officials of the Jemayel government and other key Lebanese political leaders for talks on the future division of power in Lebanon.

Mekkawi said yesterday that the date and site for the first reconciliation session would probably be announced within 48 hours.

The site, however, continues to be the sticking point. Mekkawi said he expected that the first meeting would be held in the Saudi Arabian seaport city of Jeddah. But Jumblatt, the leader of the Lebanese Druse told a news conference in Athens that "perhaps Tunis or Saudi Arabia or even Geneva" were options.

Meanwhile, the 10-day-old cease-fire continued to show signs of fraying. Before dawn and in the afternoon yesterday, Lebanese Army tanks blasted the positions of Shi'ite Muslim militias in the southern Beirut neighbourhoods of Shiyah and Gobeiri. Residents of the area said the tank fire followed sniping and rocket-propelled grenade fire at the army's positions nearby.

Separately, the state radio said that 26 bodies had been removed by the International Red Cross from the Kaifoun and Aitair fronts near the strategic mountaintop town of Souk al-Gharb, 15km. southeast of the capital in the Shouf and Aley mountains. A second operation to remove bodies from the mountain warfronts is scheduled for today, the radio said.

Military sources said later that 16 missing Lebanese soldiers were found chopped to pieces near Kaifoun. The dismembered bodies, packed in four plastic bags, were taken to the morgue of the military hospital in Beirut, said the sources, who declined to be identified by name.

Reporters in the Israeli-controlled area of the Bekaa Valley said that Israeli and Syrian forces exchanged artillery and machine-gun fire on Tuesday night. The exchange of fire near Deir al-Ashayer, which is close to the Syrian border, was the second such exchange in as many nights. The last reported firing in the area was in late August.

BANKS

(Continued from Page One)
"There are real economic problems, but they will be handled by the new cabinet," he said. Patt expressed the view that the government should help the commercial banks support the value of their shares.

The bankers are due to meet today, individually, with Bank of Israel Governor Moshe Mandelbaum on the ways of easing the banks' liquidity situation, which prevents them from granting credit to the public, which could then be used by the public to buy shares.

Mandelbaum, for his part, has strongly encouraged the banks in the last few weeks to raise the interest paid to depositors on two-week saving plans, as a way of raising their resources and wiping out their liquidity deficits. So far the commercial banks have refused to take such a step.

It is expected that the questions of interest rates on short-term deposits and the liquidity deficit will be raised during the meetings of the central bank's governor with the banking community, and that he will again urge the banks to help themselves before asking for the central bank's intervention.



Ambassador Jose Nejera Espinoza (right) of Ecuador presents his credentials to President Chaim Herzog at a ceremony at Beit Hanina yesterday. (Haran)

Soviets, U.S. trade nuclear arms schemes

UNITED NATIONS (AP). — The Soviet Union on Tuesday said prevention of nuclear war is "the most urgent task of our time" and proposed a U.S.-Soviet freeze on nuclear weapons.

Meanwhile, President Ronald Reagan has proposed that the Soviet Union and the U.S. each destroy at least 5 per cent of their strategic nuclear warheads every year.

Soviet Foreign Minister Andrei Gromyko, making the Soviet proposal at the UN in absentia, asked the 158-national General Assembly to adopt a resolution urging all nuclear-armed nations to agree to a freeze "under appropriate verification" — including a ban on deployment of new types of nuclear arms.

Gromyko said Moscow "considers it possible for the USSR and the U.S. to be the first to implement it on a bilateral basis by way of example to the other nuclear powers."

The measure appeared directed

primarily at U.S. plans to deploy 572 Pershing 2 and cruise missiles in western Europe beginning in December.

Gromyko's proposals were outlined in a letter he sent to UN Secretary-General Javier Perez Cuellar and through a speech delivered by Soviet Ambassador Oleg Troyanovsky.

In Peking, the Chinese government, demanding the dismantling of Soviet nuclear missiles already deployed in Asia, urged the Soviet Union and the U.S. yesterday not to intensify the nuclear arms race in that continent.

A Chinese spokesman, commenting on the latest U.S. and Soviet proposals, also said neither side has advanced a suggestion that actually can lead to agreement on the limitation and reduction of medium-range nuclear weapons. He said the two were covering up their true purpose of nuclear arms expansion.

IDF says PLO will hit Awali line

Post Defence Reporter

TEL AVIV. — It is impossible to prevent terrorists attacks on Israeli targets south of the Awali line through the mountain passes from northern Lebanon, the Northern Command's chief intelligence officer has said.

The officer, who can be identified only as Aluf-Mishne D, said in an interview in the army magazine *Bamahane* that he believes the passes, which are kept open to prevent the partition of Lebanon, will help the terrorists' efforts. He said although the IDF is conducting strict searches, it will never be able to stop terrorist attacks completely.

The officer reported the terrorist organizations have been aided in Southern Lebanon by local Shia residents but he did not expect such support to increase.

In the Beirut area, the terrorists could recruit Shia support but they have not been relying on them as a potential source for reinforcement, he said.

Some terrorists who last year left Beirut for Tunisia and other countries have returned to the Lebanese capital by sea. Recent attacks indicate they have rebuilt some sort of infrastructure, the officer said.

Israel said grooming Shias to replace Haddad

Post Mideast Affairs Reporter

Informal Lebanese sources warned yesterday that Israel has formed a so-called "Shia army" in Southern Lebanon, WAFA, the official Palestinian press agency reported.

The army is supposed to consist of units from the "national guard" formed previously by Israel and now located in most villages in the south, WAFA said. They are directly answerable to the Israeli military in the south and not to Major Sa'ad Haddad, commander of the Israel-backed Christian militia in south Lebanon.

Israel is re-organizing this army along the lines of a regular army, the agency continued, claiming that two military training centres were established recently in Marjayoun and Saff al-Hawa in the Bint Jubail area for this purpose.

Israel will reinforce the army to compose one brigade equipped with the latest weapons to take full control of the south, WAFA claimed. The agency added that Israel will insist that only the Shia, who make up some 80 per cent of the population of South Lebanon, will be responsible for the security of the area, and not the Christians.

Arens seeks release of Druse hostages

Jerusalem Post Reporter

KIRYAT SHMONA. — Defence Minister Moshe Arens is dealing with the request of Israeli Druse that he try to obtain the release of Lebanese Druse women and children kidnapped by Christian militias.

Uri Lubrani, coordinator of government activities in Lebanon, has sent a telegram to this effect to Sheikh Amin Tarif, spiritual leader of Israeli Druse.

Meanwhile, the Israel Defence Forces has recently completed the distribution of thousands of blankets to Christian and Moslem refugees who reached Southern Lebanon from Beirut and the Shouf.

A survey conducted by the IDF's civil administration in Lebanon in cooperation with the local authorities has determined that there are 20,000 refugees in Tyre, Sidon, Jezzine, and Naba.

UNIFIL soldier dies in accidental shooting

Jerusalem Post Reporter

HAIFA. — A Dutch UNIFIL soldier was killed in an accidental shooting at the checkpoint in the Dutch area of Southern Lebanon yesterday morning.

UNIFIL spokesman Timur Goksel told *The Jerusalem Post* that a private was killed by an accidental

discharge from his own Uzi sub-machine gun. The man's name was withheld pending notification of his family.

The death was UNIFIL's 94th casualty since the force was established in 1978 and the eighth casualty suffered by the Dutch contingent.

8,000 Lebanese visited here last month

Jerusalem Post Reporter

Some 8,000 tourists came to Israel from Lebanon during September, according to figures released this week by the Central Bureau of Statistics.

The 8,000 were part of 15,700

tourists who came by land, the rest having crossed over from Jordan and Egypt. In all, some 101,000 tourists arrived during September, an increase of 35 per cent over the same month last year and 5 per cent more than in September 1981.

Our beloved

DOV CHEVION

has left us

Hilde Chevion
Vael and Avi Hanani
Dan and Elipor Chevion
Tamar, Yoav, and Avner

Details of the funeral will be announced later

The British Consulate-General in Jerusalem

will be closed on Monday, October 10, 1983 for the Muslim New Year (Al-Hijra) Holiday.

مكة من الأهل

Cease-fire in Lebanon restores Israeli trade

By YA'ACOV FRIEDLER
Jerusalem Post Reporter

HAIFA. — Trade with Lebanon has returned to business-as-usual following the end of the heavy fighting there. The Jerusalem Post learned yesterday that the trade is still in only one direction: from Israel to Lebanon.

The Lebanese fish merchants who stopped coming when the fighting broke out, have returned, and are again bidding for catches.

Prices, which took a steep dip in their absence, are back to normal. Fishermen's Union secretary Itamar Katz told The Post.

Other exports, totalling about \$10 million monthly, are also back to normal.

However, hopes that the Lebanese merchants would place much larger orders after the cease-fire to replenish stocks and to make good for damage, have not materialized. It is believed that,

with their nearly decade-long experience of strife in their country, they had laid up sufficient stocks to see them through almost any eventuality.

Israeli made goods make up only a minor part of the trade with Lebanon, The Post learned.

The biggest volume is in the transit trade of goods bought by Lebanese merchants in Europe and shipped to Haifa port for overland transport to Lebanon. The

merchants appear to prefer Haifa to Beirut because it is safer and more reliable. As many of the importers live south of the Awali River and find it cheaper and more convenient to ship through Haifa.

There is also a considerable trade in articles purchased by Israeli importers in Europe, which the Lebanese merchants buy and truck north. This is often more convenient for them than ordering the goods themselves in Europe.

Universities borrow more to keep their doors open

By CHARLES HOFFMAN
Jerusalem Post Reporter

The universities have managed to stay open during the last two months by taking out additional loans, which will cost about \$500 million in interest, the head of the planning and budgeting committee of the Council for Higher Education said last night.

Committee chairman Prof. Haim Harari told The Jerusalem Post that it is "intolerable" that the Treasury is holding back \$1.5 billion from the universities. He said that the universities have been forced to take out loans for the first time in 10 years, not because they have ex-

ceeded their budget, but because the Treasury is giving them less than it should.

In addition to the \$1.5b. owed, the Treasury had demanded that the universities slash another 10 per cent from this year's budget. The heads of the universities claimed that another cut of this size would force them to cut essential services and close departments.

Finance Minister Yoram Aridor and Education Minister Zevulun Hammer are to meet in the next few days to discuss the university budgets.

Meanwhile, Harari said that the universities are planning to open

this month on scheduled Sundays.

In Haifa, Technion President Yosef Singer warned yesterday that the 10 per cent cut the Treasury wants to impose on university funding "will endanger the very existence of higher education in Israel."

Speaking at a ceremony to mark the opening of the school year, Singer said, "I hope the ministers of the government realize that such a cut coming on top of those already made is a menace to our industry and economy and that they will see to it that this proposal will not be carried out."

Lea Levavi adds:

Under the shadow of threatened budget cuts, about 18,500 students will begin their studies at Tel Aviv University on October 23. Another 8,500 students will participate in special programmes.

This continues the trend of the last few years toward growing student populations. 12,400 students will study toward undergraduate degrees this year, compared with 12,080 last year, and 3,400 M.A. students compared with 3,326 last year. The number of medical and dental students, and those in teacher-training and postdoctoral medical training, has also increased.

Oil search faces setback, Hanal's director warns

By CHARLES HOFFMAN
Jerusalem Post Reporter

HAZELIYA. — Local oil exploration next year will suffer a major setback unless the government increases funding, Elazar Barak, the director of Hanal, the Israeli National Oil Company, said yesterday.

Barak was one of the speakers here yesterday at a symposium on oil-exploration policy. He said in an interview that about a fourth of the \$200 million invested in oil exploration during the last four years came from profits made by Hanal from the sale of oil and drilling services.

Next year, he said, these reserves will run out and there is no indication now that the Treasury is willing to increase allocations to Hanal in the state budget to make up the difference.

This fiscal year, Barak said, Hanal's plans call for \$65m. to be invested in exploration, with \$1m.

of that amount to come from the state budget. The rest is to come from private investors, the government oil companies and funds raised on the stock exchange.

Tel Aviv University Prof. Avi Ginzburg challenged the optimistic assessment of foreign consultants who have estimated that Israel's oil reserves amount to several hundred million barrels, not including the Dead Sea area.

Ginzburg, who headed a panel 10 years ago that assessed Israel's oil potential, said that finds would probably be limited to a number of fields producing several million barrels each, an amount considered small by international standards. The Heletz field has produced 16 million barrels since the late '50s.

Ginzburg criticized the government oil companies for conducting haphazard and often wasteful exploration strategy during the last 10 years.

Moshav movement approves introduction of industries

By YITZHAK OKED
Jerusalem Post Reporter

TEL AVIV. — The Histadrut-affiliated Moshav Movement yesterday decided to allow villages or groups of villages to set up industries in their settlements.

This was one of the decisions voted by the delegates at the movement's convention held to commemorate the 50th anniversary of the movement.

The introduction of industry will free moshavim from exclusive reliance on agriculture. The Moshav Movement is taking the step in the midst of a financial crisis in agriculture.

The movement also hopes that these new industries will give jobs to the younger generation after their

return from military service.

According to yesterday's decision the moshavim will be able to form partnerships for these industrial ventures with sources outside the movement, but the moshavim must have controlling interest in the company.

The convention also voiced its strong disapproval of governmental economic policies which they claim are responsible for the crisis in the agricultural branch. The movement is due to hold a special session soon devoted to the financial problems of the moshavim.

The convention also decided to establish at least 15 new moshavim in the coming decade. They will be founded in the Golan, Galilee, the Jordan valley, the Negev, Arava, Besor and Katif.

Jaffa Arabs want action on mosque renovation

Jerusalem Post Reporter

TEL AVIV. — Jaffa's Arabs are planning to hold a mass prayer meeting tomorrow at the abandoned Hassan Bek Mosque to protest against the authorities' failure to renovate the mosque after its minaret collapsed several months ago.

The Religious Affairs Ministry and the Tel Aviv municipality promised to renovate the entire mosque immediately after the collapse, and the ministry announced that it had allotted the necessary funds. But nothing has been done.

Attorney Nassime Shakar, one of the leaders of the Jaffa Arabs' committee, said yesterday that Jaffa's three mosques will close tomorrow and that all the believers will be directed to the Hassan Bek Mosque, which has been abandoned since the establishment of the state. Some 2,000 are expected at tomorrow's prayer session.

Shakar said that the ministry is trying to prevent the mass prayer and has threatened Jaffa's imam, Sheikh Bassam Abu-Zayyad, that if he permits the prayer he will be fired.

The ministry's spokesman was unavailable for comment last night.

U.S. wants fraud suspects extradited

By MICHAEL YUDELMAN
Jerusalem Post Reporter

TEL AVIV. — Three American citizens who arrived in Israel in June with their families with the intention of settling here were arrested yesterday at the request of the U.S. government which has asked for their extradition. The three are suspected of fraud and theft of more than \$4 million in the U.S.

property worth more than \$4m.

The Wilbur and Franklin have applied for temporary resident status and have been staying in hotels for the past three months. They have liquidated their business in the U.S., it was learned.

The court remanded the suspects into custody for 14 days, ruling that they may be released on \$100,000 bail each while it is determined whether they will be extradited.

The U.S. Embassy notified the Tel Aviv Magistrate's Court that it is requesting the extradition of Alexander and Mark Wilbur, who are father and son, and of Paul Franklin.

Warrants for the arrest of the three have been issued by a New York court, on charges of wire and mail fraud, and for the receipt, concealment and disposition of stolen

ASHKELON

(Continued from Page One)

Modan said yesterday that "we have sent all relevant information on the situation to the Treasury and are waiting for a reply."

"I am not willing to argue with the Treasury through the newspapers. We are, after all, part of the same government," Modan told The Jerusalem Post yesterday evening.

He has repeatedly pointed out during the past week that the Treasury's policy of pegging budgets to an annual inflation rate of 90 per cent, when the real rate is closer to 130 per cent, has created a chronic cash shortage in the hospital system.

The situation is especially difficult at the smaller, peripheral government hospitals, such as Ashkelon, Nahariya and Poriya, whose budgets are leaner and offer less room for maneuver, Modan has said.

Ashkelon hospital director Prof. Peter Vardi yesterday said that the hospital was "functioning normally again and would probably be able to do so for at least a week."

The \$56m. transfer enabled the hospital to pay outstanding debts to Tnuva and to fuel suppliers. Deliveries of food and fuel were resumed yesterday, Vardi told The Post.

Tnuva stopped deliveries to the hospital on Monday and the hospital's fuel supply would have run out today, shutting down the kitchen, the laundry, the laboratories and the operating theatres.

Vardi strongly denied radio reports that the hospital would have to close on Friday or Saturday, despite yesterday's cash infusion.

"Things are dire enough when a hospital has to worry about keeping its doors open from week to week. There is really no need to exaggerate in a case like this," Vardi said.

The 300-bed general hospital serves 140,000 people. Moreover, it is the only hospital in the country which also functions as a district health office, Vardi said.

Squadron predicts that Reagan won't run for re-election

By JUDY SIEGEL
Jerusalem Post Reporter

American Jewish Congress president Howard Squadron predicted yesterday that President Ronald Reagan will not run for re-election next year because of Nancy Reagan's concern for his safety since the assassination attempt in Washington in 1981.

In a meeting with The Jerusalem Post editorial staff, the former chairman of the Conference of Presidents of Major American Jewish Organizations said that Mrs. Reagan is worried about his vulnerability in office.

Squadron said, however, that if Reagan does run, he is not assured of re-election. The Washington lawyer added that former vice-president Walter Mondale is the favorite among the Democrats. "I like him very much, and I think he



Howard Squadron

would be a good president."

Mondale has a "Jewish problem" — unconnected with his pro-Israel reputation, said Squadron. Since many American Jews approve of Reagan's view of Israel and the

Middle East, they are caught between supporting the president for a second term and coming out for Mondale. If Reagan does not run again, Jewish support for Mondale would be "not only broad but also deep," he said.

Squadron asserted that Sen. John Glenn of Ohio is well informed on military and technological matters, but superficial on other subjects, like the Middle East and foreign policy in general. Glenn's previous criticism of Israel, however, might be due more to his view that U.S. allies "should be grateful" to America and "not embarrass the U.S. by blowing up Iraqi nuclear reactors" than to a feeling that Israel should not be supported.

Jews have "quite consciously" joined the campaigns of all potential candidates, even of black activist Jesse Jackson, whom Squadron

calls a "troublemaker and egomaniac." While Jackson will help the Democrats by persuading blacks to register to vote, he will not attract enough votes in the primaries, said Squadron.

The AJC president also noted that he was surprised to hear Egyptian President Hosni Mubarak being asked "hard questions" in Washington recently by usually pro-Arab members of the Council on Foreign Relations. They were not impressed, he said, by Mubarak's "obviously one-sided" demand that Israel withdraw from Lebanon without mention of Syria's role.

At a meeting with Foreign Minister Yitzhak Shamir yesterday, Squadron recommended an improvement of Israel's information effort. He was also due to call on Prime Minister Menachem Begin at his home.

At a press conference here yesterday, Israel Musicians Union chairman Arie Levanon said he and his colleagues introduced this resolution at the International Federation's recent congress in Budapest as a means of exerting pressure on the Broadcasting Authority to end the six-month dispute.

Though the dispute is over wages (the musicians say that if they do the

same work for private producers they receive more than double what the Broadcasting Authority pays), the real bone of contention is performance rights. Just as copyright laws require that authors' permission be obtained if their work is reprinted, musicians want to be paid royalties before their work can be rebroadcast, sold as a record or video cassette, or used beyond the initial performance for which they were paid.

A law protecting performance rights is about to be submitted to the Knesset by the Justice Ministry, Levanon said, but the Broadcasting Authority, Instructional Television and Galei Zahal are not to be covered by the law because it was felt paying for performance rights

would be too much of a drain on their budget.

The Broadcasting Authority management yesterday denounced the musicians' call for a boycott against the authority, arguing that the boycott would undoubtedly be supported enthusiastically by "Arab and Communist countries."

The authority spokesman said that the musicians were embarrassed to quote figures at their press conference. "They are demanding 35 times what they are now getting," he said.

The authority is considering establishing a light orchestra of its own to perform on TV. Children's programmes especially have been affected by the musicians' strike.

Psychologists to examine terrorism

By LEA LEVAVI
Jerusalem Post Reporter

TEL AVIV. — The first Israeli-European Conference of Research Social Psychologists will be held next week at Kibbutz Shefayim on the subject of intergroup conflicts.

At a press conference here, previewing the conference, Prof. Menahem Friedland of Tel Aviv University's psychology department, who will present a paper on terrorism at the gathering, said that terrorism is most likely to succeed in a democratic country because of publicity.

Friedland hastened to add that he is not advocating restrictions on freedom of the press and other freedoms in the name of fighting terrorism. He said he only wants the public and governments to be aware of what the terrorists are really doing.

"When they take hostages, for example, they tend to request relatively small amounts in ransom. That

way, they can make the government look negative whatever the government does," Friedland said. "If the ransom is paid, the terrorists can claim a victory. If it is not, they can accuse the government of being stubborn, at the cost of human life, over small amounts of money."

Prof. Arie Lublansky, a conference organizer, said the gathering has political significance. When the European Association of Research Social Psychologists was formed 20 years ago, Israelis were among the founders, he said.

Because of pressure from their Arab colleagues, the Europeans asked both the Israelis and Arabs to keep out of the organization. This conference is therefore a breakthrough, he declared.

Other subjects to be covered include ways to change Israelis' attitudes toward Egyptians and vice-versa through tourism and ways to minimize conflict between teachers and pupils in school.

Israel Shipyards runs out of work

By YA'ACOV FRIEDLER
Jerusalem Post Reporter

HAIFA. — Work in the Israel Shipyards has ground to a standstill, a spokesman for the government-owned yard told The Jerusalem Post yesterday.

He said that work on Defence Ministry orders has been completed and the ministry has not placed any new orders. Work on two police patrol boats was also completed

recently and no other building orders are in hand.

The standstill in ship repairs is thought to be seasonal, but is expected to last until December.

The yard employs 920. It wants to cut its staff by 200, but the Haifa Labour Council opposes any dismissals until management comes up with a "recovery plan." Meanwhile, the men are employed on maintenance work inside the yard.



Israel General Bank Limited

CONDENSED BALANCE SHEET AS AT 30 JUNE 1983

(unaudited)

	30.6.83	31.12.82	30.6.82
	In Thousands of IS.		
Capital, Reserve and Surplus	162,338	120,214	43,593
Subordinated Capital Notes	35,997	35,997	7,387
Deposits	9,418,432	6,599,981	3,801,707
Deposits for the Granting of Loans	1,085,320	750,307	601,290
Other Accounts	218,693	79,578	49,980
Liabilities on Account of Customers (see contra)			
Acceptances, Documentary Credits and Guarantees	1,335,270	717,834	748,658
	12,236,050	8,273,889	5,252,575

	30.6.83	31.12.82	30.6.82
	In Thousands of IS.		
Cash in Hand and Balances with Bank of Israel and Banking Institutions	5,213,258	3,431,215	2,022,819
Securities	125,446	97,545	44,062
Loans to the Government	598,668	341,116	
Loans and Bills Discounted	3,980,173	3,097,829	1,746,980
Loans out of Deposits for the Granting of Loans	693,641	475,833	595,894
Other Accounts, Bank Premises, Equipment and Other Property	78,592	23,872	35,044
Liabilities of Customers (see contra)	211,002	88,845	59,328
For Acceptances, Documentary Credits and Guarantees	1,335,270	717,834	748,658
	12,236,050	8,273,889	5,252,575

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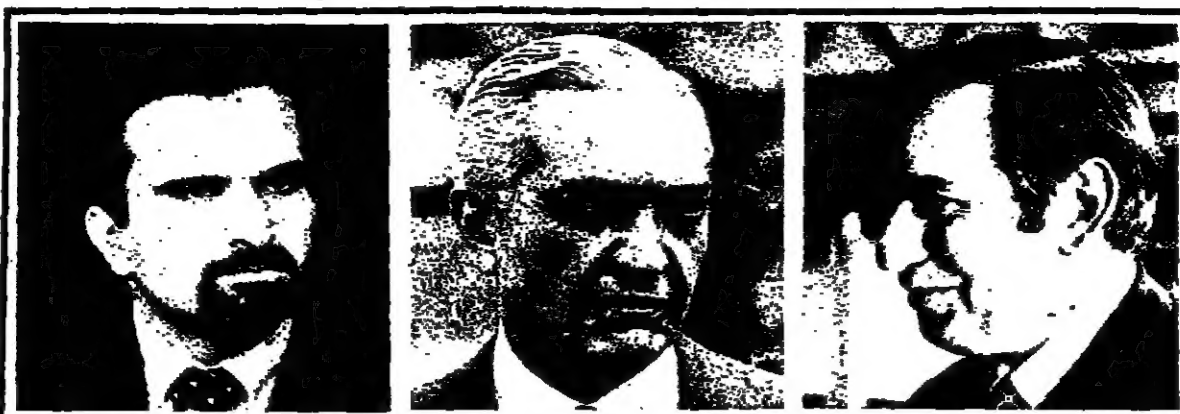
CONDENSED STATEMENT OF PROFIT AND LOSS FOR THE HALF YEAR ENDED 30 JUNE 1983

(unaudited)

	Half year ended 30 June 1983	1982
	In Thousands of IS.	
Operating Profit Before Taxes on Income	113,093	38,736
Provision for Taxes on Income	63,000	18,127
Net Profit for the Period	50,093	20,609
Subsidiary's loss deriving from taxes	(24,519)	(5,300)
Net Profit for the Period	25,574	15,309
Net Profit Adjusted to the Effects of Inflation (in accordance with opinion number 23 of the Israel Institute of Certified Public Accountants)	30,448	7,319
Adjustment of Profit for Half-year ended 30 June 1982 to Sheqels of June 1983		10,092
Adjusted Profit in Sheqels of June 1983	30,448	17,411
Net Profit for the half year per Share:		
Not Diluted	82%	49%
Fully Diluted	56%	40%
Net Profit Adjusted to the Effects of Inflation	49%	38%

THE SOCIOLOGY OF PEACE

By LEON HADAR / Post New York Correspondent



From left: Crown Prince Hassan, Mustafa Khalil, Zalman Shoval.

FAR FROM the limelight, Arabs and Israelis have been cooperating in a New York-based programme designed to bring the two peoples closer together politically, socially and economically. The project, the Institute for Middle East Peace and Development, has been operating for two years now under the auspices of the Graduate School and University Centre of the City University of New York.

Dr. Stephen P. Cohen, a professor of social psychology founded the institute in 1981. "For over four decades," he says, "the Arab-Israeli confrontation has defied solution, as a third generation is coming of age, raised on its strong emotions." Dr. Cohen, who has travelled extensively in the Middle East and established close personal friendships with Arab and Israeli leaders, argues that "traditional diplomacy has not succeeded in moving the parties from hostility to compromise." This belief led him to conclude that "what is needed today is a new approach to the Middle East conflict — a way of analysing the problem and developing innovative strategies that will help build a more peaceful future for the region."

Dr. Cohen, sitting in the institute's offices in the City University building near UN headquarters, explains that the institute was established to serve as a centre for researchers, government officials, business people, and community leaders from the Arab world and Israel to exchange ideas.

"Institute associates come from a variety of disciplines and include, aside from Middle Easterners, also

Americans and Europeans," adds Dr. Susan Miller, executive director of the institute. "They seek to apply concepts of conflict resolution theory to problems and issues in the Middle East today." All the participants, stresses Cohen, "share the belief that progress toward peace requires changing perceptions of the nature of the conflict and its possible outcomes."

THE INSTITUTE'S international board of advisors includes well-known figures.

Its chairman is former U.S. Secretary of State Cyrus Vance. Egyptian members of the board include Boutros Ghali, minister of state for foreign affairs and Mustafa Khalil, former prime minister of Egypt. Jordan's Crown Prince Hassan Bin Talal and Adnan Abu Odeh, Jordan's minister of information, are also on the board. The four Israeli members are Joseph Ciechanover, former director-general of the foreign ministry; Yossef Rom, a Likud member of Knesset; Zalman Shoval, a former Likud member of Knesset; and Haim Zadok, a Labour Party leader.

The thrust of the institute's programme is to develop communication. "The agenda is to involve a variety of actors in activities that produce a better understanding of the other side," explains Cohen. Projects are "solution-oriented"

and look to a time when peace will be the normal backdrop for political relations in the region.

In the area of social science research, the institute goal is to contribute to the task of building a comprehensive picture of Middle Eastern societies and the way they work through field-based research. This research aims at revising obsolete views of the area and its people, to offer positive examples of scientific cooperation across national borders and to help create a "common language" for regional communication through scientific research.

The institute is currently con-

cluding a major two-year research effort supported by a \$1.1m. grant from the UN agency for International Development and a Ford Foundation grant. The research project titled "Images in Conflict," examined the attitudes and feelings of the Egyptian, Israeli and Palestinian populations toward the Arab-Israeli conflict and attempts to show how perceptions sustain the conflict or enhance the potential of specific peace initiatives, explains Cohen.

"Each party to the conflict has deeply ingrained attitudes about itself and about the other side, which may be as effective in obstructing peace as the more

"political" issues, and thus they deserve serious study," he adds.

Social scientists involved in the project include Dr. Qadry Hefny of Cairo University; Dr. Michael Inbar of the Hebrew University; Dr. Sharif Kanana of An Najah University on the West Bank; Dr. Nadim Rouhana of Harvard University; Dr. Muhammad Sha'alan of Al Azhar University; and Dr. Ephraim Ya'ar of Tel Aviv University.

THE PROJECT consists of three main parts. First, a structured interview is used to determine aspects of an interviewee's perceptions of conflict and peace, covering personal experiences, perceived causes and

possible solutions to the conflict. In the second part, interviewees are asked to tell stories about photographs depicting scenes from the Middle East. In the third part, the photographs and questions are presented to small groups for consideration.

The final report of the research is due next summer. Dr. Cohen notes that preliminary results suggest that "there may be more agreement among the groups than is usually assumed." For one thing, the research found that there is an overwhelming desire for peace in broad segments of all three societies. "There are also indications that 'peace' may have somewhat different meaning to each group: 'security' to Israelis; 'economic improvement' to Egyptians and 'political freedom' to Palestinians," according to Cohen.

The institute also sponsored the initial phase of a more controversial research project conducted by former Jerusalem deputy mayor Meron Benvenisti, which dealt with the social, political and economic implications of Israel's occupation in the West Bank and its settlement policy there. It concluded, among other things, that Israel is moving in the direction of absorbing the West Bank.

The Institute considers development planning to be another important sphere of activity. "The institute's concern with development grows from the belief that commer-

cial and scientific exchanges will play a vital role in the transition from war to peace," says Cohen. "Business activity is a way of multiplying interactions among people and also a way of engaging an important segment of each society in the work of mutual reconciliation." In the fields of science and technology, the institute has facilitated projects requiring new levels of cooperation in the region. It produced the "Middle East Peace Project," a study of the potential for regional business relations in a peaceful environment. In 1982, it conducted an extensive survey of 600 general managers of Israeli companies to assess their attitudes toward doing business in Egypt. A similar study is planned for Egypt. The institute is a focal point for efforts involving U.S. business and scientific cooperation with Egypt and serves as a resource for American enterprises making investment decisions in Egypt.

Several times it has brought together business leaders from Israel and the Arab world in private meetings to discuss possibilities for economic cooperation. It has served as a forum for face-to-face discussions between Arabs and Israelis, which Cohen describes as "conflict-reducing dialogue." Cohen says he has also used his relationship with leaders in the region to facilitate public and behind-the-scenes communications between Arab and Israeli politicians. He helped to bring together, in 1980, the heads of the Israeli Labour Party and the Egyptian Government for meetings in Tel Aviv and Cairo.

Ten-part guide to the Arabs

By HYAM CORNEY / Post London Correspondent

of getting their viewpoint across than those without. The Arabs may confirm those fears.

I have had a preview of two of the instalments, the opening one, to be aired next Monday, and the seventh. Part one serves as an introduction to the series; while mostly unobjectionable, it nevertheless includes a few tell-tale sentences, which give a foretaste of what is to come.

Entitled "The Making of the Arabs," it opens in Beirut. Its theme is that the Middle East's current problems can all be traced back to 1917 and to 1948, when the Zionists "were strong enough to defeat the Arab population in war" — the implication being that it was the Jews who attacked the Arabs and

not the other way round.

But it is the seventh instalment that will cause the furor. The key figure in it is Edward Said, well-known on British television for his eloquent espousal of the Palestinian cause. Born in Jerusalem, "where he is no longer welcome," he has lived in America for the past 30 years. He is currently a professor of English at Columbia University in New York.

He describes Zionism, "with regard to the Palestinians, as an inhuman ideology," and accuses the Israelis, for example, of trying to annihilate all traces of the Arab life that existed in Kiryat Shmona before it became a Jewish town.

ISRAEL, his commentary goes, "captured Jerusalem in 1967" (not recaptured) and Palestinian Arabs in East Jerusalem are "helpless dwellers in what has been made an Arab ghetto."

As for the Israeli invasion of Lebanon last year, it was merely a repetition of earlier Israeli invasions in 1973, 1967, 1956 and 1948. When Israel was created, "800,000 Palestinians were made refugees."

And so it continues. It is accurate inasmuch as it is a true reflection of how most Arabs see contemporary Middle East history. But for the average television viewer who does not have the knowledge to differentiate between fact and fiction, the

series — and the seventh part in particular — will leave him with the clear impression that the Middle East was an oasis of peace and tranquillity until the American-financed Zionists came and spoiled everything.

The series took three years to complete and involved filming in 14 countries, including Israel (though without official co-operation) but excluding Saudi Arabia, which would not let the film people in for some unexplained reason. Executive producer David Collinson, who worked for many years with the BBC, told me that the aim of the series was "to let the Arabs talk for themselves. It is their case, not ours."

He hopes that the viewer will, at the end of the 10 episodes, have "an enhanced understanding of what goes on in the minds and lives of the Arabs."

COLLINSON DENIES that the Arab backers had any say in the content of the series. "I would not have taken the job on if I did not have complete editorial control," he told me.

Accompanying the television series is a book, also called *The Arabs*, written by Basim Musallam, who is the narrator for much of the series. He was born in Marjayoun, in Southern Lebanon, and now lives in the U.S., where he teaches the history of Middle East at the University of Pennsylvania. The

historical adviser to the series is Dr. Albert Hourani, of St. Antony's College, Oxford, who has lent his name to a number of pro-Arab activities in Britain in recent years.

Chapter eight of the book parallels the seventh instalment of the television series. Both are entitled "The Shadow of the West," and it is true to say that the U.S., Britain and France are portrayed as being almost as big villains of the piece as Israel. But it is still the Jews who come out worst.

"The Palestinians were not just colonized; most of them were also evicted," Musallam writes.

It is ironic to recall, as this massive and expensive piece of pro-Arab P.R. is to be screened, that only a few months ago, the BBC announced the cancellation of a major television series, *The Jews*, also to have been accompanied by a book, for what were presumed to be reasons of finance.

An exciting opening

MUSIC / Benjamin Bar-Am

ISRAELI PHILHARMONIC ORCHESTRA, Zubin Mehta conducting, with Alfred Brendel, piano (Maim Auditorium, Tel Aviv, October 3). Schumann: "Manfred" overture; Mozart: Concerto No. 20 in D minor for piano and orchestra, K.464; Schoenberg: Concerto for Piano and Orchestra, Op.42; Tchaikovsky: "Francesca da Rimini," Op.32.

THE IPO is to be congratulated for a splendid opening of the season, one of style and substance and excellent performances.

At last we had Schumann's rarely played "Manfred" overture, which combines the Schumann of the symphonies with Brahmsian drive and texture, and also heralds Wagnerian harmony. Mehta seemed exalted. Under his direction, the piece unfolded in romantic richness.

After this exciting opening, pianist Alfred Brendel provided another excitement — one of the most original interpretations of the D minor concerto I have ever heard. The artist's piercing intellectual insight and restless emotional involvement revealed new aspects of Mozart. Light and darkness were passionately interlocked. The third movement had frightening urgency. It was stirring and perplexing. It was Mozart as only Brendel could have played it.

Again, as in the Mozart, Brendel's performance of Schoenberg's piano concerto, combined, in a unique way, emotional exposure and unassailable logic and order. It seemed a grave mistake, though, to deviate from the announced order and place the Schoenberg after the Mozart, making it difficult after the overwhelming climax in Mozart, to appreciate the full significance of the music and the impeccable performance. Schoenberg's message did come across, a frightening prophesy of what the 20th century would have in store.

The concert opened with the best German romanticism has to offer, Schumann's "Manfred," and closed

with the pathos and bombast of Tchaikovsky's "Rimini." Mehta seemed genuinely inspired. Most of the concert-overture was lovely. A pity then that Mehta could not resist the temptation to close the work with noisy, terribly overdone and applause-winning bangs.

ISRAELI CHAMBER ORCHESTRA, "Music Spectrum" series, directed by Boris Berman, with Jean-Bernard Fommer, conductor and pianist, and Boris Berman, pianist (Tel Aviv Museum, October 2). Mozart: Symphony No. 33 in B flat Major, K.319; Lukas Foss: "Solo Observed" for piano and orchestra; Webern: The Movements for String Orchestra, Op.5; Mozart: Concerto for Two Pianos and Orchestra in E flat Major, K.356.

IF THIS first concert of the Israel Chamber Orchestra indicates things to come we can expect a rather fine season. Berman's much-respected "Music Spectrum" series has become an integral part of the orchestra's subscription concerts.

As always, Berman demonstrated originality in his choices and in their order in the programme. Two contemporary works flanked by two works by Mozart, at the beginning and end of the programme, created an interesting juxtaposition and a sound framework on which more conservative listeners could rely.

Mozart's B flat Major symphony was given a neat and handsome performance, which flowed joyfully but also lingered lovingly over details and subtleties. Even more rewarding was the concerto for two pianos, in which the two pianists embarked on a lovely dialogue. They were beautifully attuned to each other. Fommer conducted from the keyboard.

Lukas Foss' "Solo Observed" is based on what has become a well-known contemporary trick: a succession of tones turned around in endless repetitive patterns. Foss merely offers a musical game, which poses no problems to the listener and pleases the ear. It's fun though

not much remains with the listener after the performance.

Webern's famous *Five Movements*, though written in 1909 — 73 years before Foss' "Solo," affect one quite differently, with this incredible conciseness and tremendous emotional charge, which pose serious problems. Conductor Fommer's approach seemed to work wonders. Each phrase was so clearly and meticulously formulated that no message could be missed. Fommer led us through a most intricate web of moods, whispers, noises, explosions and moments of great peace, to the tranquillity that lies on the threshold of complete silence.

PNINA SALZMAN, piano recital (Tel Aviv Museum, October 1). Chopin: Polonaise-Fantasia Op.61; Nocturne in C minor, Op.9 No.1; Schumann: Kinderszenen, Op.15; Arabesque, Op.15; Chopin: Barcarolle, Op.60; Eight Mazurkas; Andante Spianato et Grande Polonaise Brillante, Op.22.

UNBELIEVABLE as it seems, 42 years have passed since Pnina Salzman gave her first recital at the Tel Aviv Museum in 1941. The great achievements of her career, both as concert pianist and as pedagogue, have made her one of our leading musicians.

This recital, however, was a rather sad event, a pale and unanimated repetition of what she has said before with inspiration and the power of conviction. She seemed to play joylessly, out of habit. The first part sounded weary, colourless and strangely dated. Chopin today needs much more than conventional pattern making. Technically, too the performance seemed far from perfect. Missing was the indispensable singing quality of tone without which no Chopin is Chopin.

Some of Schumann's short pieces kindled a little imagination, the *Barcarolle* recalling happier days. The *Eight Mazurkas* were not much more than a bundle of a few nice phrases, embellishments and some characteristic Chopinesque rubati.

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CHILDREN SHOULD BE SEEN AND NOT HURT!

Value of all mutual funds falls from \$3b. to \$1.5b.

By MACABEE DEAN
Jerusalem Post Reporter

TEL AVIV. — The dollar value of the holdings of all 108 mutual funds dropped, from \$3 billion to only \$1.5b. at the end of September, according to Meitav, a financial consultancy firm. In shekel terms, these funds had a value of IS95.3b. at the end of September.

Meitav gives two reasons for this drop: firstly, there have been massive redemptions by the public, which sold its shares in favour of other investments, and secondly, the poor yields by most of the funds.

There has also been a definite change in the composition of these funds. If at the end of 1982, index linked bonds consisted of 35 per

cent, this percentage has now risen to 53 per cent. As for foreign currencies, they have risen from seven per cent nine months ago to 18 per cent today, while stocks have dropped, since the beginning of the year, from 58 per cent to 28 per cent. Leumi's share of the market rose from 32.6 per cent on December 31, 1982 to 40 per cent today; Hapoalim's fell from 24 to 22.9 per cent; discount's grew from 17 to 19.5 per cent; Mizrahi's fell from 8.5 per cent to 6.2 per cent; while First International's grew from 3.4 per cent to 4.2 per cent.

The smaller banks, or funds run independently of the banks, also fell from a total of 14.6 per cent to 7.2 per cent.

Black S. African calls for Israeli commercial help

By MACABEE DEAN
Jerusalem Post Reporter

TEL AVIV. — Israelis would do well to focus their attention during the next two decades on the "awakening commercial giant among the black communities of South Africa," Dr. Samuel Motsuanyane, head of the National African Federated Chamber of Commerce, said yesterday.

Motsuanyane and his wife were guests of honour at a gala luncheon given by the Israel-South Africa Chamber of Commerce, in conjunction with the commercial section of the South African Embassy.

Motsuanyane, who today starts a series of talks with Israeli businessmen on ways to develop trade between the blacks of South Africa and Israel also noted that "Israelis were too heavy with the commercial skills we need so badly." He invited Israel to help the black community develop commercially.

"Of South Africa's population of 30 million, only about 4% million are white. By the year 2000, there will be 7 million whites and 43 million blacks."

But, he stressed, the important thing is not the total growth of the black population, but its increasing buying power. If today, their dis-

posable income was six million rands, by 2000 it would be 22m. rands. Moreover, there would be a definite shift of blacks from farms and villages to towns and cities.

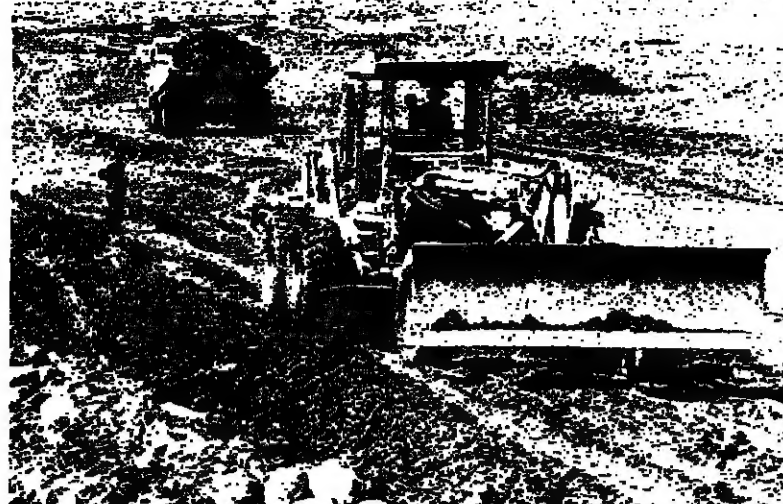
But the commercial sector of the black communities faced four problems — and Israel could help in solving some of them, he said. The first was "lack of capital. To put it succinctly we have plenty of capitalists — but they have no capital."

The second problem was a lamentable infrastructure. Roads were bad, electricity erratic, and phones often non-existent, he said.

The next problem was the "lack of commercial training and experience of many of the blacks. And finally, there were the legal barriers the whites had set up, as well as a discouraging bureaucratic process.

Motsuanyane, who was educated at the University of North Carolina, was the first black African accepted there under the U.S.-South Africa leadership exchange programme.

He is, in addition to his interests in commerce and banking, a specialist in soils and crops, and said he "had only admiration for the enormous strides made here," which he wanted his people to emulate.



A mechanical digger at work on one of the new reservoirs being prepared in the Golan region. The reservoirs, which will provide water for summer irrigation, will hold some 20 million cubic metres of rain water. (IPPA)

Marks and Spencer has not cancelled its order—Ata

Jerusalem Post Reporter

HAIFA. — The Ata Company — Israel's largest textile firm — has denied reports that Marks and Spencer — the giant English chain store which takes 90 per cent of its exports — has decided to cancel its order. Reports said that the Israeli firm was unable to compete with manufacturers from other countries. Marks and Spencer purchases merchandise worth between \$7 and \$8 million from Ata each year — a third of the company's total production.

The company has said it is planning to dismiss hundreds of employees because it cannot compete with the flood of imported yarn being brought into the country at "dumping prices." Haifa Labour Council reported yesterday.

The Council is to convene an emergency meeting next Wednesday with representatives of Ata's management and the firm's works committee to decide what action to take. Council secretary, Moshe Wertman, has already cabled Trade and Industry Minister Gideon Patu urging him to intervene to prevent

the dismissals. The Council spokesman said Ata's management had informed them of its decision to dismiss a "large number" of the company's 3,000 workforce, but exact figures were not given.

The firm, which has several factories in the north, the largest employing 1,600 people in Kiryat Ata, is the biggest producer of yarn and cloth in the country.

The company, which reportedly lost IS160 million last year, has blamed the government's policy of allowing the import of foreign yarn at dumping prices, up to 25 per cent less than the cost of the locally produced material, for the crisis it is facing.

The Labour Council is concerned that several other large industries in Haifa, including Fertilisers and Chemicals and the Vulcan Foundries and Engineering Plants, also want to reduce their workforce, since they cannot compete with the dumping prices of foreign imports. Haifa already has the highest unemployment rate in the country with 2,300 registered jobless.

Jan.-June '83: black or red for Big 3 banks?

By MACABEE DEAN
Jerusalem Post Reporter

TEL AVIV. — Did the three Big Banks — Leumi, Hapoalim and Discount — make reasonable, even considerable profits in the first half of 1983? Or did they lose small sums?

The answer to both these questions is an unqualified "yes," and if this seems a contradiction in terms, it is, for the answer all depends on which of the three major systems of reckoning is used in today's inflationary economy.

Before proceeding any further, it might be best to point out that the Big Three, like all other banks, claim that they are "sound today as they ever were." Moreover, no matter what the results in the first half of 1983, good, bad or indifferent, it is expected that the second half of the current year will show better results — if the months of July, August and September are any indication.

This is because several factors which slowed down operational profits (as distinct from net after-tax profits) have changed. During the first half of 1983, the gap between the interest rates banks charged on loan was low and what they paid on deposits was quite high. This negative situation has now been corrected.

Moreover, the "low" commissions on transactions have been raised.

Finally, the banks ran into severe liquidity problems during the first half of 1983 — and paid large fines to the Bank of Israel. This situation, however, is still troublesome.

Before discussing the three main ways to figure out profits and losses, two distortions must be pointed out, no matter which system is used.

The first is that all of the Big Three have a goodly percentage of their holdings, both here and abroad, in foreign currencies. And in the one-year period ending June 30, 1983, the devaluation of the shekel compared to foreign currencies was kept artificially low. Thus, a huge gap was created in the value of these foreign currencies if they were "translated" into shekels. During these twelve months the

cost-of-living index rose by 137.9 per cent while the value of the dollar lagged far behind, rising by only 97.3 per cent.

Secondly, Leumi and Hapoalim have different financial structures than Discount. Leumi and Hapoalim's financial statements include a lot of items, such as insurance companies, real estate, investment companies, which are excluded by Discount. This is because Discount has concentrated them under one head: Discount Development.

Thus, a more accurate comparison of the three banks would be between Leumi, Hapoalim and Israel Discount Bankholding (and not between the first two banks and Discount).

But, since IDB has not yet published its results for the first half of 1983, this comparison cannot yet be made.

Moreover, much of IDB's profits come from its considerable industrial undertakings.

At any rate, during the first half of 1983, all of the Big Three lost under the first method of reckoning: Advisory Opinion 23 of the Chamber of the Certified Public Accountants.

Since Leumi and Hapoalim are competing for the title of the largest bank, it would be interesting, first, to see which is really bigger. Based on balance sheets, Leumi, with IS1,52,551 million is ahead of Hapoalim with only IS1,091,858m. On the other hand, Hapoalim notes it grew five per cent faster than Leumi in the first half of 1983.

According to Advisory Opinion 23, Leumi lost more: IS1,661m. compared to Hapoalim's IS1,195m. Discount, with a balance sheet of IS858,779m., which makes it less than half as big as either of the other two (since the comparison, as noted, is with Discount and not with IDB), lost IS913m.

From these figures, it emerges that Discount, relatively speaking, is the biggest loser. Leumi follows with Hapoalim losing the least.

What exactly is Advisory Opinion 23? One banker explained it simply as being concerned with the erosive effect of inflation on capital. "Since capital decreases due to inflation, you must make sufficient profit to

cover that part of your capital eaten up by inflation. If you don't do this, you go into the red." Calculating on this basis, all of the Big Three went into the red the first six months of this year.

But this banker continues: "Advisory Opinion 23 is not the only way of calculating. Plenty of financial experts question its reliability as a gauge."

Let's look at another way of examining the financial statements — which will put all the banks well into the black. This is simply to translate shekels into dollars.

The dollar value of the big three's profits at the end of June 30, 1983 is: Leumi made \$61.3m., Hapoalim \$60m., and Discount \$30m.

IDB's profits have not yet been published, but they are estimated at \$90m. However, IDB's strength in industry must again be taken into account.

The third main method of calculation is simply to take the 137.9 per cent rise in the cost-of-living index and see which bank's profits grew faster (which would mean keeping ahead of inflation) or slower (which would mean falling behind inflation).

This method, which has been used for years, again puts all the banks in the black. Leumi comes first, with a 192.9 per cent growth (IS2,911m.), followed by Discount with 144.9 per cent growth (IS1,423m.) with Hapoalim having a growth of 140 per cent (IS2,849m.). But part of the huge difference in growth between Leumi and Hapoalim is explained by the fact that Leumi earmarked only IS339m. in taxes, while Hapoalim earmarked IS683m. (Discount paid IS392m.).

Several other figures, however, are needed to round out the picture. The balance sheets grew as follows: Leumi's by 134.2 per cent (Leumi's rate of inflation), Hapoalim's by 140.7 per cent (ahead of inflation) with Discount's leading the pack with a 143.0 per cent growth.

As for credits (loans, etc.), Leumi grew by 141.2 per cent; Hapoalim by a hefty 166.6 per cent and Discount by 142 per cent. As for liabilities, Leumi grew by 129.7 per cent; Hapoalim by 143.8 per cent and Discount by 136.3 per cent.

Israel's 3 ports handled 12m. tons last year.

Ashdod port last year handled 48 per cent of Israel's incoming and outgoing sea cargo; Haifa port, 45 per cent; and Eilat port, seven per cent, according to the Ports Authority report for 1982-83, released yesterday.

The three ports together handled 12 million tons, about four per cent

more than last year, and income exceeded costs by IS45 million.

During the year, the report says, IS370m. were spent on port and equipment development work, and IS183m. were repaid to the government on account of a loan given to the Ports Authority upon its establishment.

1983 expected to be good financial year for cotton

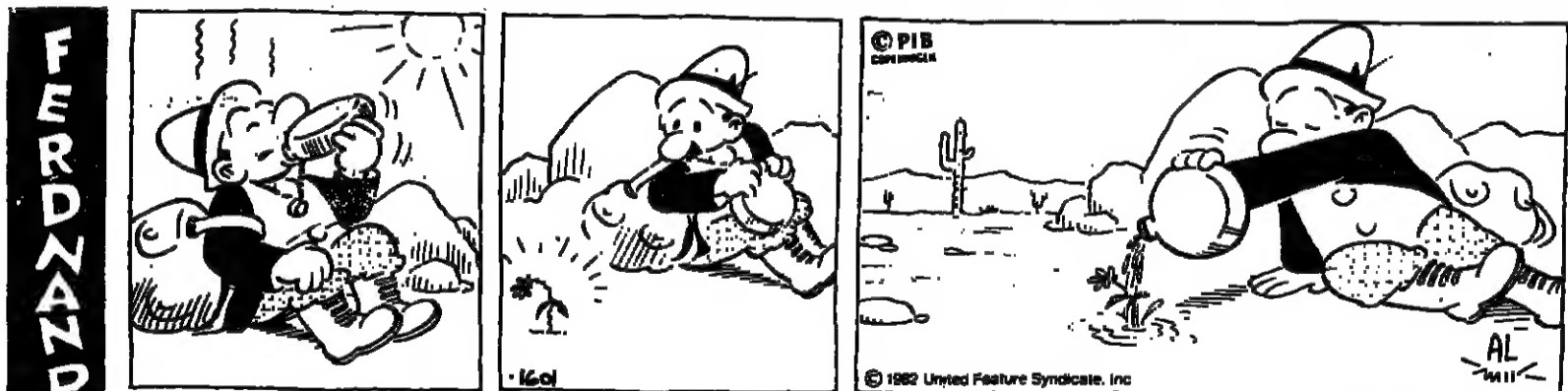
TEL AVIV. — The cotton harvest started this week, about seven days later than usual.

This year, about 570,000 dunams of cotton were planted, which should yield about 86,000 tons of cotton and 140,000 tons of cotton seeds.

About two thirds of the expected

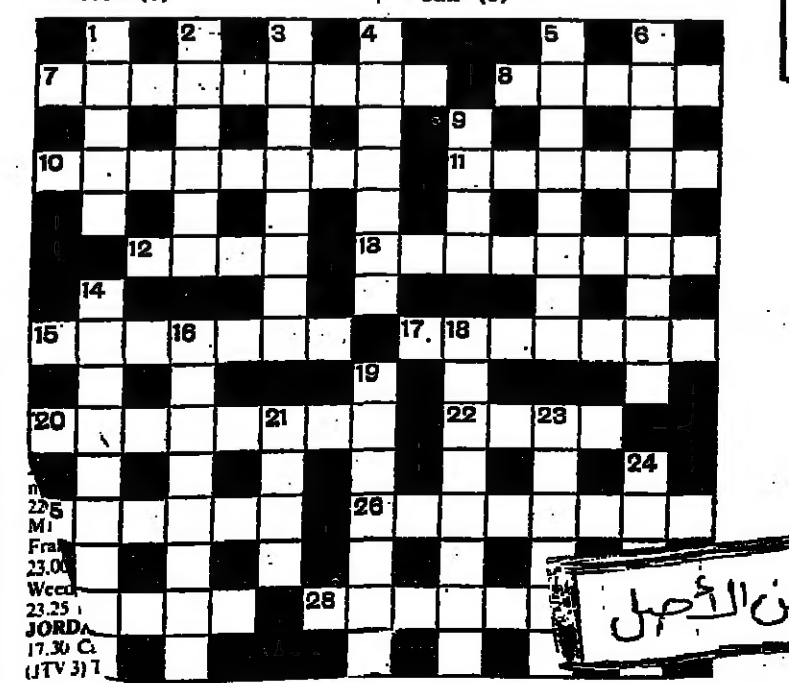
harvest has already been sold for export, at an average price of \$0.83 per pound.

With a delegation of 18 European cotton buyers due to visit Israel next week, the Cotton Production and Marketing Board is optimistic that this year will be a better year financially than the previous two.



ONE-AND-ONE CROSSWORD

- | | |
|---|--|
| ACROSS | DOWN |
| 7 Barker describing the sinking sun (3, 6) | 1 Constellation of star intelligences? (5) |
| 8 Miss Varden employed in a Dickensian laundry? (5) | 2 Property of Eastern country (6) |
| 10 Non-continental type confessing to delatation of character (8) | 3 America supports art centre for those who want to learn (6) |
| 11 Garden-flower periodical (6) | 4 The way one walks—if using a compass (7) |
| 12 Vote cast by objector? (4) | 5 Discovered away from home (5, 3) |
| 13 Cooler leaves much to be desired (3, 2, 3) | 6 Suddenly everybody acts together (5, 2, 4) |
| 15 Suggest a professional stance? (7) | 7 To some degree it is a lure (4) |
| 17 United Nations' food no longer in a jam? (7) | 14 Reply to box number immediately one hears (5, 4) |
| 20 When girl may scream in case of necessity (2, 1, 5) | 16 Does it prove the pen to be mightier than the sword? (5, 3) |
| 23 Artelope drops before making a stride (4) | 18 Could be the same or shorter, but not any more (2, 6) |
| 25 Benevolence in the vegetable patch (6) | 19 Bacing dog owners apparently abuse it (7) |
| 26 Attach payment for luxuries (3, 5) | 21 Is it reported from all quarters? (4) |
| 27 Cutting way to question Capone's ability (5) | 23 Pair discovered very quickly (6) |
| 28 Steel vice parts specially chosen (9) | 24 Wait, but don't wait for the ball (5) |



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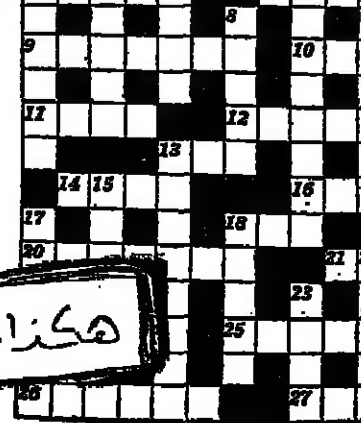
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QUICK CROSSWORD

ACROSS
1 Garden herb
4 Divisor
8 Shakespearean tragedy

DOWN
10 Husks of corn, etc.
11 Reluctant
12 Hired accommodation
13 Enemy
14 Cry of lament



YESTERDAY'S SOLUTIONS

ACROSS: 1. Hallowed, 7. Dolly, 8. Vestibule, 9. Egg, 10. Rad, 11. Strawn, 12. Legend, 14. Repeat, 17. Platoon, 19. Grov, 20. Woe, 22. Endearing, 23. Noted, 24. Anchored, 25. DWYER, 26. Lacking, 27. Onyx, 28. Equity, 29. Fired, 30. Sydrant, 31. Debutant, 32. Engaged, 33. Caprice, 35. Barter, 36. Burden, 37. Paria, 38. Fated, 39. Marsh.

DOWN: 1. Fall down, 2. Pleasure craft, 3. Paradise, 5. Mishap, 6. Buying and selling, 7. Haven, 8. Marine mammal, 13. Wading bird, 15. Devotional exercise, 17. Cut back, 18. Aromatic seed, 19. Feast lavishly, 22. Angry, 23. Plan.

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Give Soldiers Lifts

About turn as 151 shares rise 5%

TEL AVIV — The share market executed a complete about turn yesterday as non-financial sectors of trading showed gains of up to 10 per cent. One hundred and sixteen securities were up by margins of more than five per cent. Another 35 shares were established "buyers only" and trading could not be carried out due to a lack of sellers. According to Stock Exchange regulations the price was automatically hiked by five per cent.

By sharp contrast, only three issues were sellers only while 26 other securities fell by margins that exceeded five per cent.

The commercial banks came through with a magnificent show of strength. They absorbed another round of selling and made sure that prices advanced by margins which exceeded yesterday's 0.5 per cent devaluation of the shekel. By doing so they continued to remind their shareholders that their shares will offer yields that exceed the level of devaluation of the shekel or the rate of inflation.

Since, according to the Finance Minister Yoram Aridor, the shekel will continue to be devalued at a pace that is equivalent to the monthly inflation rate, it is quite clear to the bankers, who stabilize their shares, what the monthly yields will have to be.

Trading turnover eased somewhat and barely exceeded the

Tel Aviv Stock Exchange

By JOSEPH MORGENTHAU

Looking over the stock market statistics, all sectors of trading reflected hefty group gains. Gains of more than three per cent were recorded by the service and trade group as well as by the land development, real estate and citrus plantation issues.

The shekel was devalued by 32 agorot against the American dollar, marking a loss of about 0.5 per cent. However, as the mark advanced sharply against the dollar on international currency markets, it also rose sharply against the shekel. The mark was up by 1.7 per cent.

In the mortgage bank group there were modest advances. In the specialized financial institution sector there were also small gains. The shares of the Contractors Centre, after being roundly

hit for major losses in recent sessions, were established buyers only. Gains of up to 10 per cent were recorded in the insurance group of trading. Ten per cent winners included Arye, Hassneh, Sahar and Securitus.

Ten per cent winners replaced ten per cent losers in the service and trade group. Land development, real estate and citrus plantation issues were sharply higher. Early in the day options showed strong gains. The Amnonim option soared up by nearly 32 per cent. Subsequently, the Amnonim shares were 9.7 per cent higher. As it is they are trading at a considerable discount from their issue price.

Industries were higher but this did not reflect any major demand for these shares. Elbit was nearly four per cent lower while the shares of Elron Electronics, Elbit's parent, were unchanged. Alliance was fractionally higher.

By and large it was the companies with small capitalizations which came through with gains that ranged up to 10 per cent. Investment company issues came through with gains led by the 5.0 shares of the Israel Corp. which advanced by 10 per cent. Clal Industries also surged ahead by 10 per cent.

Gains of up to 10 per cent were also noted in the oil share group.

Table with multiple columns showing stock prices and changes for various companies like IDB, B, P, etc.

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Tourism Ministry starts new shop grading scheme

By AARON SITTNER

A new grading scheme for shops wishing to be officially "recommended" to tourists has the Ministry of Tourism excited, but less so the shopkeepers who must maintain the standards set for receiving the new "Recommended for Tourists" emblem now being offered by the ministry.

"My members tell me it's not worth the trouble," Avraham Birnbaum, secretary of the Jerusalem Merchants Association told The Jerusalem Post on Tuesday.

"It's the greatest thing that has happened in recent years," says Zvi Simon, spokesman for the ministry. At last we will be rid of that jungle of so-called listed, approved and recommended shops.

About a year ago, Tourism Minister Avraham Shari decided to cancel the existing 800 or so symbol certifications and replace them with a new symbol that will bear one, two or three stars attesting to a shop's rank in serving tourists. A similar scheme was formulated for eating places, but these will be able to earn up to four stars.

After nine months of canvassing, merchants and restaurateurs to promote interest in the new scheme, a total of 600 applications have been received and approved.

Shopkeepers who receive the new emblem will have to pay an annual

fee of IS1,000 if it bears one star and IS1,600 if it shows two or three stars.

As part of the new campaign, all retail establishments of interest to tourists have been classed into eight categories: jewelry, souvenirs, fashionware, furs, department stores, antiques, art galleries and hotel lobby shops.

Each category is designated a separate list of staff requirements for the operator wishing to earn two or three stars. But a set of uniform minimum standards applies to all shops.

Among these are the need to keep exterior showcases illuminated till 11 p.m., that ample chairs be available for customers who must wait to be served, that salespeople be multilingual and that all merchandise be clearly marked with a price that distinctly shows the currency symbol as well. No shop may be smaller than 30 square meters, except for hotel lobby shops which may be only 20 square meters in size.

In return for paying the annual fee and displaying the emblem, a shopkeeper can expect three benefits, according to the Tourism Ministry.

First, strolling tourists are attracted to the shop; secondly, the shop will occasionally be listed in promotional literature published by

the Tourism Ministry abroad; and thirdly, emblem holders may offer non-Israeli customers a VAT-return feature unavailable in non-recommended shops.

The latter works as follows: if a tourist purchases \$50 or more in merchandise, the shopkeeper — after granting a five per cent discount — can arrange for the rebate of the 15 per cent Value Added Tax to the customer when he leaves the country.

Merchants Association Secretary Birnbaum says, "The VAT deal is what really makes the whole campaign a farce. First of all, there is a complicated and time consuming process of filling out various forms and invoices for each customer. This could lose the merchant other customers who will not wait while all the papers are filled out, including inspection of the tourist's passport."

"Then there is the matter of giving a five per cent discount. Since a businessman works for a profit, it is only reasonable that he would probably increase the price by five per cent in anticipation of having to reduce it. And this pre-increase in price would surely drive away many potential non-tourist, Israeli customers."

"No wonder so many of our members are not interested in applying for the new emblem!"

Ministry of Tourism, Jerusalem

Ministry of Tourism, Jerusalem

Ministry of Tourism, Jerusalem

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Ari Rath
Editor and
Managing Director

THE JERUSALEM
POST

Erwin Frenkel
Editor

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Tishre 29, 5744 • Zil-Hijja 29, 1403

Everybody else to blame

LISTENING to Finance Minister Yoram Aridor, one might easily reach the conclusion that this country's real government resides not in the cabinet but in the media. According to Mr. Aridor, it is the media that whipped up this week's financial panic, and induced the public to dump their banking and other shares and turn to foreign currency in the expectation of a massive devaluation soon.

This won't wash. The true cause of the panic lay in the public's loss of confidence in the finance minister and his policy. He lost his credibility two months ago, when the Treasury's pledge that there would be no large-scale devaluation was broken the following morning. Yet in a larger sense Mr. Aridor lost his credibility when the public at large came to realize, as it did of late, that the promise of an easy life and easy profits through a mislabeled "proper economics" was but a mirage.

All this does not mean that Mr. Aridor was wrong to refuse a massive devaluation at this time, and continue with the policy of matching the rate of devaluation to the pace of inflation. The Ministerial Economic Committee, which took the decision on Tuesday, was right to reason that massive devaluation now, without a simultaneous cut in the government budget, would only further stoke the fires of inflation and benefit speculators.

Because of the public's mistrust of Mr. Aridor, however, the run on the dollar continued yesterday. Responding to an appeal by the heads of the major banks, the finance minister then took another decision — to maintain the Treasury's policy of propping up bank shares. This was inevitable as a short-term step. But it cannot be counted upon as a permanent line of defence, something which the banks and the government must surely realize.

The present non-existent transition government cannot, of course, be expected to engage in any fundamental reconsideration of economic policy, pre-empting the role of the future Shamir cabinet. But so long as Mr. Aridor is in the saddle as finance minister it is doubtful whether even when constituted, the government will be able to do what is necessary, namely reverse the very policies for which Mr. Aridor is responsible.

Battle for Ramot

IT SEEMS that Agudat Yisrael has done it again. Now it has extorted from the Likud, as part of its price for supporting the new Shamir government, an undertaking that the housing minister, David Levy, will see to it that the construction of a swimming pool at Jerusalem's Ramot quarter is halted. The pool is said to offend the religious sensibilities of Ramot's ultra-orthodox neighbours at Ramot Polin.

Jerusalem's Mayor Teddy Kollek has, however, vowed to fight the Aguda's demand for a relocation of the pool, and his opposition may be hard to overcome. This is because, unlike the Shuafat stadium, the building of which five years ago was stopped under Aguda pressure reaching through the Prime Minister's Office, the Ramot pool is funded solely from the mayor's own treasure chest, the Jerusalem Foundation, without any admixture of state monies.

The mayor, it may confidently be assumed, is fully alive to the sensibilities of religious Jerusalemites. But he also knows that the pool is not mixed swimming but peaceful coexistence between religious and non-religious Jews in Israel's capital city.

Jerusalem's ultra-orthodox community is admittedly growing at a fast pace and is short of decent housing. But the need will not be satisfied by nibbling away at the edges of secular areas — as has been done, with occasional ugly violence, elsewhere in town.

The controversial pool is essentially a symbol of Ramot's right to be what it is, a mainly secular neighbourhood, and to maintain its own lifestyle. Remove the pool, and the signal will be flashed to the denizens of ultra-orthodox neighbourhoods to start pushing their way into Ramot and converting it into a place fit only for people who practise their style of conduct.

This is the truth behind the pretence of offence to religious sensibilities, but it is not the way to solve the housing problems of the Aguda's constituency.

ALTHOUGH the Israel Stock Exchange has, over the past nine months, ceased to be a sort of national casino avidly used by the public at large, it still represents to the Israeli economy a dangerous game in the hands of the government and the Bank of Israel as well as the entire banking network.

Serious investors, including those in the financial sector, are counting on the stability of certain financial instruments inherent in the stock exchange that will always offer a realistic return. This is, of course, impossible in a free economy.

How — when the economy itself is not realistic, when exports are not increasing, when the government is entangled in a degenerating balance of payments and when foreign debts are soaring — can any realistic return be expected?

Government bonds are held to be entirely reliable by all investors. After all, didn't the Bank of Israel promise not only to redeem these bonds together with interest and linkage but also to adjust the price to their value on the stock exchange in order to show their real value?

It is doubtful that the government is even well-advised to guarantee a realistic return on these bonds, which would result in their total liquidity and allow them to compete with cash. But if they do choose to adopt such a policy, then the reasons are to be found in the distressed state of the government.

The government does not want, or perhaps cannot afford, to forego

A no-win game

By YITZHAK TAUB

any one of its activities. At the same time, it either does not wish to, or cannot levy a tax on this activity.

Otherwise, why would it offer the public attractive bonds with guaranteed liquidity? The government assumes that if it does not guarantee liquidity it will sell fewer bonds and will, therefore, have to print more money.

Many economists believe that this is a mistake. They point out that bonds with such liquidity resemble cash and encourage the speculative investment of many inflationary shekels.

Nevertheless, the government does have one challenger that is even more preferred — bank shares.

THIS IS based on historical fact. In the past, investors were promised that the real value of these shares would rise by 15 to 20 per cent per year regardless of the political or economic situation.

This year, until the end of August, the return on bank shares was 10 per cent, and here again there is a spiralling catch. The public has confidence in bank shares. Therefore,

the banks can sell their shares to the public. When there is a demand for these shares, the banks prevent any drastic rise in value and simply produce more shares.

The trouble starts when the public begins to think that this cannot go on forever or when something else seems more attractive on the market.

The crash of the exchange gave rise to doubt as to the ability of the bank shares to continue to rise while the rest of the market is falling. The rapid increase in the value of the dollar also attracted investors away from the market for bank shares.

The public sold and sold and the banks bought and bought. It is estimated that the banks now hold about one-third of the shares, which are valued at some \$7 to \$8 million. And the shares continue to be sold at an even faster pace.

Under these circumstances there was a definite feeling that it was necessary to support the banks. It is interesting to note that in mid-1983 all the banks were showing a definite real deficit, but this was not reflected in the sales of bank shares.

Today, the situation is as follows: The Bank of Israel prints money in order to stabilize the price of government bonds. The banks demand that the government assist them in propping up the share market (their own shares).

The government responds in several indirect ways, all resulting in the printing of more currency. In addition, once this money is printed it is not deposited in the banks but is used to buy foreign currency — and the banks have liquidity problems because of it.

The Bank of Israel helps the banks. That is, the Bank of Israel prints more currency so that the public can buy more dollars.

THE ABSURDITY of the situation is obvious and it must not be allowed to continue. The government wants to absorb some of the public's money, but it prints currency in order to enable the public to have more funds so that it will support the government in the future.

The same thing is true of the banks. If the government assists the banks in stabilizing the value of their shares, it also supports a com-

petitor which gets comfort from the government in that sector of the market.

This absurdity originates in the narrow vision of the Bank of Israel and of the government, who are staring at the micro-event when they should be looking at the overall picture.

Gresham's Law is also applicable in this instance. Bad money pushes good money out of the market. The government is causing a situation in which the good money — mostly dollars — is being hoarded and the bad money is being thrown into the market. This serves to increase inflation.

One important question needs to be asked: If the stock exchange does not serve any macro-economic aim, then why doesn't the government simply leave the stock exchange to its own devices?

The only thing that would happen is that after a time it would find a new point of balance where the voluntary investor and the voluntary saver could operate and the speculators would be subject to the same rules of fair play that prevail in the great stock exchanges of the world.

There are those who maintain that the answer to this question is not economic but political. If this is true, then it's a very short-sighted political view.

The writer is a commentator on economic affairs.

The big rip-off

By ELIEZER WHARTMAN

their usefulness and should have been dismantled when the state came into being. David Ben-Gurion, in an essay written in 1956 entitled "Words and Values," put it succinctly: "Most people cling to obsolete ways of thought," he wrote, "and are unable to recognize new trends that demand a new attitude to the problems of the day, and a more dynamic approach to the needs of the future."

It is doubtful whether there is any remedy for the old generation of Zionists in the Diaspora. All their lives they have clung to slogans, formulae and institutions which are now obsolete; they did not have the strength to realize the Zionist ideal even in the days of their youth, and it certainly cannot be demanded of them now that they are middle-aged.

"If we deprive them of the names, terminology and institutions to which they have been consecrated for years, they will remain empty, impoverished and pitiful." So much for the old-line Zionists who dominate the WZO and the Agency. But what about the new generation of politically unaffiliated fund-raisers? Why do they let themselves be led around by the nose? They are certainly motivated by an instinctive love for Israel; but they are being exploited by the hardened politicians. They are being ripped off.

What is worse, they are betraying the trust bestowed in them by their fellow UJA contributors. Despite the song and dance performed when the missions come to Israel, the politicians are sniggering at them.

Aside from their inability to determine where their money is to go, they have voluntarily muzzled themselves on the great moral and social issues facing the country, leaving it to the politicians to decide on these matters. (And here I hasten to exclude security matters, including West Bank settlement, where, in my view, only Israelis who put their lives on the line have the right to decide.)

THE LARGE MAJORITY of contributors to the UJA are Conser-

vative and Reform Jews. They are regarded with undisguised contempt by Orthodox leaders in Israel who have thus far successfully fended off all attempts to establish Jewish religious equality in Israel.

Now the Orthodox parties are calling for the enactment of the "Who is a Jew" bill which the Government has undertaken to support in the Knesset. This bill would reduce Reform and Conservative Jews in Israel and in the Diaspora to the status of second-class Jews.

The UJA and the UFA are strangely silent on this matter, maintaining that this is "political" and they cannot get involved in "politics."

Yet the Joint Distribution Committee in Israel, which receives its funds from the UJA, spends almost 10 per cent of its budget on aid to yeshivot whose teachers and students are leading the fight to besmirch the Reform and Conservative movements.

This government, like previous ones, has encouraged Israelis to live beyond their means. The standard of living in this country bears no relationship whatever to productivity. At a time when the government and the Jewish Agency are stretching out their hands for assistance from the UJA (and, more ominously, from the U.S. Government) which in a large measure dictates Israel's foreign policy because of Israel's financial dependence upon it, 800,000 Israelis are taking trips abroad this year; automobile imports have climbed by 33 per cent; over 220,000 video sets have been purchased; government subsidies on food and fuel are provided to both the rich and the poor; fantastic villas spring up everywhere. Speculators have made fortunes on the stock exchange without having to pay a penny in taxes (unlike in the West where capital gains are taxed).

With proper taxation and the abolition of subsidies (while protecting the poor), the state could raise far more than the UJA provides. But here again the UJA leaders are amazingly silent. Either

they are blind or have been struck dumb.

More and more local Jewish Federations in the U.S. are demanding a greater slice of the pie. They want more funds to stay at home to meet local needs. If Israel cannot justify the sums flowing to it, why shouldn't the Federations get more?

Relations between Israel and the Diaspora are almost exclusively confined to fund-raising. Altruism, by common consent, is almost never mentioned. A neat division of responsibility exists: the Diaspora is to supply funds; and Israel is to spend them.

Anyone who suggests that Israel attempt to reduce its dependence upon the West — particularly upon the U.S. government — rather than increase it, is regarded as subversive. (If he's professionally engaged in Jewish life, he's fired.)

JEWISH MEDIA controlled by Jewish Federations abroad are likewise almost exclusively devoted to fund-raising. All criticism of Jewish life, of Jewish organizations, of Jewish values are stifled. There can be no dissent. It is regarded as "counter-productive."

It is not enough to chant the mantra "We are One." Of course we are one. Israel is nine-tenths and the Diaspora one-tenth. Together we are one. At this time when there is no government to speak of, when the country is sliding towards possible bankruptcy, when each does what is right in his own eyes, there must be an agonizing reappraisal of the responsibility of UJA leaders. Are they to continue to be hapless spectators, despite the fact that in gentle eyes they are equated, like it or not, with what is taking place in Israel?

The situation is not altogether hopeless. Thanks to their involvement in Project Renewal, more UJA contributors abroad have become better informed about Israel, are demanding changes, and are becoming more articulate.

THESE CONCERNED Jews might like to consider the following course of action:

Firstly, there must be a thorough reorganization of the relationship between the UJA and the World Zionist Organization and the Jewish Agency. Perhaps a totally new structure is needed. Certainly objective, in-depth studies should be commissioned in those areas now receiving assistance to determine its need and effectiveness.

There can be no taxation without representation. What is needed is a new, simplified, streamlined structure unencumbered by political factors which will democratically and professionally decide upon allocations — at a fraction of the administrative costs of the present cumbersome, politic-ridden structure.

Secondly, there must be a frank exchange of ideas and opinions between the leaders of Israel and those supplying it with funds, even if the UJA provides only about 2 per cent of Israel's budget. UJA leaders have a moral obligation to speak out on those aspects of life in Israel which bother them, and which reflect upon them.

Thirdly, UJA leaders should tolerate a situation where they are trefe, but their money is kosher. They should make it clear to the government that if the "Who is a Jew" law is passed, they will give a penny to the so-called "Jewish state."

Moreover, they should not allow their synagogues and community centres to be used for fund-raising purposes by any member of the Israel government or Knesset who votes for such a bill.

Fourthly, UJA leaders must work to democratize Jewish life at home. By transforming their local Jewish newspapers into little more than house organs for the raising of funds, they are helping to estrange their children from the "Jewish Establishment." Their children need food for the mind, for meaningful values, or they will assimilate or dissociate themselves from the Jewish community.

Unless the UJA leaders address themselves to these challenges, they will be faced with shrinking constituencies as assimilation, disinterest and Jewish ignorance become more widespread.

Slogans are not enough today. Those concerned with meaningful Jewish survival will ignore the storm signals at their peril.

The writer is editor of the Israel Press Service.

POSTSCRIPTS

PS A MAN who claims to be allergic to the 20th century has agreed to a medical exam to determine if the government will pay for his treatment which includes living in an isolated cabin and eating lion meat, an official says.

John Baaske, 20, has been declared disabled by the Social Security administration, but has been denied state and federal medical assistance for his exotic diet and bottled water.

Joseph Scislowicz, spokesman for the Wisconsin Department of Health and Social Services, said Baaske has agreed to receive the state-paid medical exam to determine his eligibility for medical assistance.

His mother, Madeline, claims he is a victim of "20th century syndrome," described as hypersensitivity to the modern environment and diet. His symptoms were not disclosed.

He has lived alone in a cottage since November 1981.

Baaske's diet includes only foods with no chemical additives. He can eat pineapples and dates but not vegetables, sweets or breads, according to his mother.

Mrs. Baaske has estimated her son's meat bills at \$1,000 or more a month. The lion meat, she said, is obtained from Illinois and the fresh fruit comes from California.

The unusual regimen was prescribed in 1981 by Theron Randolph, a Chicago doctor who contends that Baaske shows some of the most severe symptoms he has seen of the syndrome. C.H.

PS THE GATES of immortality have been opened to journalists and perhaps other professionals by the new Jerusalem Golden Pages telephone directory.

The classified section of the 1983/4 directory, under the heading of "journalists," lists two deceased editors of The Jerusalem Post, Ted Lurie and Lea Ben-Dor. Lurie was editor from 1955 until his death in 1974. Ben-Dor was editor from 1974-75, and died two years ago.

A less serious mishap has befallen one of The Post's current editors, Erwin Frenkel. The classified section prints his previous address and phone number, although they appear in updated form in the alphabetical listings in the other part of the directory.

The classified section also lists other journalists who have died or moved to a new address, and has garbled the name of a Post staffer.

A spokesman for The Golden Pages in Jerusalem said in response to these findings that any journalist can request to have his name listed in the classified section free of charge. A similar service is provided to other professionals such as engineers and lawyers. Additional names are added from a list provided by the Communications Ministry of those who requested to print their profession along with their names in the alphabetical listings.

The spokesman said, however, that the names and other information about professionals in the classified section continue to be printed from year to year unless someone requests a change or deletion. C.H.

READERS' LETTERS

THE CHARMS OF EILAT

To the Editor of The Jerusalem Post Sir, — As a family that has travelled widely, we decided to visit Eilat two years ago to resolve for ourselves personally the conflicting opinions and descriptions of holidays as enjoyed (or not enjoyed) by tourists to the area.

Eilat for us has become the perfect example of sunshine, desert and mountains in a fascinating combination of the bustling atmosphere of a holiday paradise, yet with a slow serenity in some areas for those who go to unwind.

We will be returning this December to Eilat for the third consecutive year.

STAN AND TERRI SKLAR
London.

KINDNESS AT MASADA

To the Editor of The Jerusalem Post Sir, — On a recent pilgrimage trip to Jerusalem, I had the misfortune to be struck with a bout of dehydration on the way to Masada. While the rest of my friends made the ascent to the top, I was forced to remain below, as I began experiencing much pain and discomfort.

Because of the care and concern I received, I feel compelled to let you know what it's like to be in competent but tender hands when one is ill and in a foreign land. The young men in the control room at Masada were able to continue with the business of running the cable cars, but at the same time kept aware of my situation and monitored it often. There was an air of kindness in that room, not only

with them, but also with a young girl whose name I never knew. She insisted on staying by my side, saying only that she knew that if I had a daughter, I would want her to do the same.

Our guide, throughout the ordeal which included the long ride back, was a truly gentle man. And finally the doctor who came to the hotel exercised his learning in such a competent way that I was able to continue on with the rest of the trip.

So, besides all the richness and beauty in your land, I also came to appreciate the many people who cared for an ailing guest, and I won't soon forget it.

ANNA BELLE NETZHAMMER
Metairie, Louisiana.

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50 Years of Aliya from Central Europe — Contribution to

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The event will take place on Thursday, October 13 at 8.15 p.m. (sharp), in the Fastlicht Hall of the Mexico Building of the University.

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